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INDEX AND SUMMARY OF H. R. 7977

Apr. 5, 1967

LEGISLATIVE HISTORY

Public Law 90-206

H. R. 7977

Sept. 21, 1967

Sept. 28, 1967

Oct. 2, 1967

Oct. 10, 1967

Oct. 11, 1967

Oct. 16, 1967

Nov. 15, 1967

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INDEX AND SUMMARY OF H. R. 7977

Apr. 5, 1967 Rep. Dulski introduced and discussed H. R. 7977 which was referred to H. Post Office and Civil Service Committee. Print of bill as introduced and remarks of author.

Sept. 21, 1967 House committee voted to report H. R. 7977.

Sept. 28, 1967 House committee reported H. R. 7977 with amendments. H. Rept. 722. Print of bill and report.

Oct. 4, 1967 Rules committee reported a resolution for consideration of H. R. 7977. H. Res. 939 and H. Rept. 734. Print of resolution and report.

Oct. 10, 1967 House began debate on H. R. 7977.

Oct. 11, 1967 House passed H. R. 7977 with amendments.

Oct. 16, 1967 H. R. 7977 was referred to S. Post Office and Civil Service Committee. Print of bill as referred.

Nov. 15, 1967 S. committee ordered H. R. 7977 reported.

Nov. 21, 1967 S. committee reported H. R. 7977 with amendments. S. Rept. 801. Print of bill and report.

Nov. 28, 1967 Senate began debate on H. R. 7977.

Nov. 29, 1967 Senate passed H. R. 7977 with amendments.
Senate conferees appointed.

Nov. 30, 1967 House conferees appointed.

Dec. 7, 1967 House received conference report. H. Rept. 1013.

Dec. 11, 1967 House agreed to conference report.

Dec. 12, 1967 Senate agreed to conference report.

Dec. 16, 1967 Approved: Public Law 90-206
President's statement when signing bill.

Hearings: House committee on H. R. 7977
Senate committee on S. 1489

90TH CONGRESS
1ST SESSION

H. R. 7977

IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 1967

Mr. DULSKI introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To adjust certain postage rates, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE AND TABLE OF CONTENTS

4 . SECTION 1. This Act, divided into sections according to
5 the following table of contents, may be cited as the "Postal
6 Revenue Act of 1967".

TABLE OF CONTENTS

Sec.

1. Short title and table contents.
2. First-class mail.
3. Airmail.
4. Nonmachinable mail.
5. Second-class rates within county of publication.
6. Second-class rates beyond county of publication.
7. Second-class transient mail.
8. Controlled circulation publication.
9. Third-class mail.
10. Special rate fourth-class mail.
11. Keys and other small articles.
12. Special handling service.
13. Separation by mailer of second-class mail.
14. Effective dates.

1 FIRST-CLASS MAIL

2 SEC. 2. (a) Section 4253 of title 39, United States
3 Code, is amended—

4 (1) by striking out the words “The rate of postage
5 on first-class mail is 5 cents” in subsection (a) and
6 inserting in lieu thereof “Subject to section 4061 of this
7 title, the rate of postage on first-class mail weighing
8 twelve ounces or less is 6 cents”;

9 (2) by striking out the words “4 cents” wherever
10 appearing in subsection (a) and inserting in lieu thereof
11 the words “5 cents”;

12 (3) by striking out the words “subsection (a)”
13 in subsection (b) and inserting in lieu thereof the words
14 “subsections (a) and (b)”;

15 (4) by redesignating subsection (b) as subsection
16 (c) ; and

1 (5) by inserting a new subsection (b) immediately
2 after subsection (a) as follows:

3 “(b) First-class mail weighing more than twelve
4 ounces shall be mailed at the rates of postage established
5 by subsection (d) of section 4303 of this title and shall
6 be entitled to the most expeditious handling and transporta-
7 tion practicable.”

8 (b) Section 4252 of title 39, United States Code, is
9 repealed.

10 (c) The table of contents of chapter 59 of title 39,
11 United States Code, is amended by striking out—

“4252. Weight limit.”

12 AIRMAIL

13 SEC. 3. (a) Subsections (a) and (b) of section 4303
14 of title 39, United States Code, are amended to read as
15 follows:

16 “(a) Except as provided in sections 4061 and 4304 of
17 this title and subsection (b) of this section, the rate of
18 postage on domestic airmail weighing not more than eight
19 ounces is 9 cents for each ounce or fraction thereof.

20 “(b) The rate of postage on each postal card and post
21 card sent as domestic airmail is 7 cents.”.

22 (b) Subsection (d) of section 4303 of title 39, United
23 States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

“(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following table:

	“Zones					
	Local, 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Over 1 lb. but not over 1½ lbs.....	.96	.99	1.05	1.11	1.15	1.22
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

“Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80”;

(2) by deleting paragraph (2) and renumbering paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively; and

(3) by striking out “paragraphs (4) and (5)” in the renumbered paragraph (5) and inserting in lieu thereof “paragraphs (3) and (4)”.

NONMACHINABLE MAIL

SEC. 4. (a) Chapter 53 of title 39, United States Code, is amended—

1 (1) by adding at the end thereof the following new
2 section:

3 **“§ 4061. Nonmachinable mail**

4 “(a) Nonmachinable mail means mail which has size
5 dimensions greater than five and three-fourths inches wide
6 or eleven and one-half inches long, nonuniform thickness
7 or thickness which exceeds one-fourth inch, and ratio of
8 width to length of less than one to one and four hundred and
9 fourteen one-thousandths but does not include mail which
10 the Postmaster General finds can readily be handled by mail-
11 processing machinery of the postal field service.

12 “(b) (1) Nonmachinable airmail and nonmachinable
13 mail of the first class weighing not more than two ounces
14 shall be subject to an additional postage charge equal to the
15 minimum postage rate for the same class of mail.

16 “(2) Nonmachinable mail of the third class mailed at
17 the individual piece rate under section 4452 of this title shall
18 be subject to a minimum postage charge in an amount double
19 the rate of postage prescribed in section 4452 (a) for the
20 first two ounces. The minimum postage charge on non-
21 machinable mail of the third class shall not apply to non-
22 machinable merchandise samples mailed in substantial quan-
23 tities within the meaning of section 4454 (a) of this title.

24 “(3) On nonmachinable mail of the third class mailed
25 in bulk in accordance with section 4452 of this title, the

1 minimum charge for each piece prescribed in subsection (b)
2 thereof shall be increased by 0.3 cent when mailed by a qual-
3 ified nonprofit organization and 0.6 cent in any other case.”;
4 and

5 (2) by adding to the table of contents the following:
“4061. Nonmachinable mail.”

6 (b) The postage charges provided in section 4061 of
7 title 39, United States Code, as added by this section, shall
8 apply to matter mailed on and after July 1, 1969.

9 SECOND-CLASS MAIL WITHIN COUNTY OF PUBLICATION

10 SEC. 5. Section 4358 of title 39, United States Code,
11 is amended—

12 (1) by striking out subsection (a) and inserting
13 in lieu thereof the following:

14 “(a) Except as provided in subsection (b), the rate of
15 postage on publications admitted as second-class mail when
16 addressed for delivery within the county in which they are
17 published and entered in as follows:

“[In cents]			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2”

18 and

19 (2) by striking out the word “entered” in subsec-
20 tion (b) and inserting in lieu thereof “have original
21 entry”.

SECOND-CLASS MAIL BEYOND COUNTY OF PUBLICATION

SEC. 6. Section 4359 of title 39, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following:

“(b) (1) Except as otherwise provided in this section, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

"[In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2-----	4.5	4.8	5.1
Zone 3-----	5.6	5.9	6.3
Zone 4-----	7.7	8.2	8.7
Zone 5-----	9.9	10.5	11.1
Zone 6-----	12.0	12.8	13.6
Zone 7-----	12.8	13.7	14.5
Zone 8-----	15.0	16.0	17.0
Nonadvertising portion-----	3.0	3.2	3.4
Minimum charge per piece-----	1.1	1.2	1.3

“(2) The postage on classroom publications is 60 per centum of the postage computed in accordance with paragraph (1).

“(3) The rates of postage on publications of qualified nonprofit organizations mailed in accordance with subsection (a) are as follows:

"[In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound when the advertising portion is—			
10 per centum or less-----	1.9	2.0	2.1
Over 10 per centum but not more than 20 per centum-----	2.0	2.1	2.2
Over 20 per centum but not more than 30 per centum-----	2.0	2.2	2.3
Over 30 per centum but not more than 40 per centum-----	2.0	2.2	2.4
Over 40 per centum but not more than 50 per centum-----	2.1	2.3	2.5
Over 50 per centum but not more than 60 per centum-----	2.1	2.3	2.6
Over 60 per centum but not more than 70 per centum-----	2.1	2.4	2.7
Over 70 per centum-----	2.1	2.5	2.8
Minimum charge per piece-----	.2	.2	.2

“(4) In lieu of the minimum charge per piece pre-

scribed by paragraph (1), the minimum charge per piece for publications (other than publications to which paragraphs (2) and (3) are applicable) when fewer than five thousand copies are mailed outside the county of publication is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.”

SECOND-CLASS TRANSIENT MAIL

SEC. 7. Section 4362 of title 39, United States Code, is amended by striking out “4 cents” and inserting in lieu thereof “5 cents”.

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 8. Section 4422 of title 39, United States Code, is amended to read as follows:

“§ 4422. Rates of postage

“The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

“[In cents]			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per peice.....	1.9	2.9	3.8”.

THIRD-CLASS MAIL

SEC. 9. (a) Subsection (a) of section 4452 of title 39, United States Code, is amended to read as follows:

“(a) Except as provided in section 4061 of this title and subsection (c) of this section, and subject to the minimum charge per piece provided in subsection (b) of this section, the postage rates on third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed prior to Jan. 1, 1968	Mailed on and after Jan. 1, 1968	
(1) Individual piece.....	<i>Cents</i> 5 2	<i>Cents</i> 5 2	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of:			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.....	12 18	16 22	Each pound or fraction thereof. Do.”.
(B) Other matter.....			

(b) Subsection (b) of section 4452 of title 39, United States Code, is amended to read as follows:

“(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. Subject to section 4061 of this title, the minimum charge for each piece is 3.8 cents, except that the minimum charge for each piece on such matter mailed by qualified nonprofit organizations is 1.9 cents.”

(c) Subsection (e) of section 4452 of title 39, United States Code, is amended by striking out “identical pieces of

1 third-class mail” and inserting in lieu thereof “identical
2 pieces of third-class mail, other than nonmachinable mer-
3 chandise samples as defined in section 4454 of this title,”.

4 (d) Chapter 65 of title 39, United States Code, is
5 amended—

6 (1) by adding at the end thereof the following
7 new section:

8 **“§ 4454. Merchandise samples**

9 “(a) Nonmachinable merchandise samples mailed in
10 substantial quantities, as defined by the Postmaster General,
11 shall be accepted as third-class mail only when addressed
12 and presented for mailing prepared in the manner prescribed
13 by the Postmaster General.

14 “(b) The term ‘nonmachinable merchandise sample’,
15 as used in this section and in section 4452 of this title, means
16 any piece of nonmachinable mail, within the meaning of sec-
17 tion 4061 of this title, containing an article given away for
18 the purpose of advertising an article of merchandise which it
19 represents in whole or in part.”; and

20 (2) by adding to the table of contents of such
21 chapter 65 the following:

“4454. Merchandise samples.”

22 **SPECIAL RATE FOURTH-CLASS MAIL**

23 **SEC. 10.** Section 4554 of title 39, United States Code,
24 is amended by—

(1) striking out “9½ cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after January 6, 1963 and prior to January 1, 1964, and 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after December 31, 1963” in subsection (a) and inserting in lieu thereof “16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof”;

(2) striking out “4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof” in paragraph (1) of subsection (b) and inserting in lieu thereof “8 cents for the first two pounds or fraction thereof and 3 cents for each additional pound or fraction thereof”; and

(3) striking out subsection (e) and inserting the following new subsection (e) in lieu thereof:

“(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him.”

KEYS AND OTHER SMALL ARTICLES

SEC. 11. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out “6 cents for

1 each two ounces or fraction thereof” and inserting in lieu
2 thereof “14 cents for the first two ounces or fraction thereof,
3 and 7 cents for each additional two ounces or fraction
4 thereof,”.

5 SPECIAL HANDLING SERVICE

6 SEC. 12. Section 6008 of title 39, United States Code,
7 is amended to read as follows:

8 **“§ 6008. Special handling**

9 “Upon payment of a special handling fee, third-class
10 mail and fourth-class mail are entitled to the most expedi-
11 tious handling and transportation practicable, but such mail
12 is not required to receive the same handling and transporta-
13 tion as air mail.”

14 SEPARATION BY MAILER OF SECOND-CLASS MAIL

15 SEC. 13. Section 4363 of title 39, United States Code,
16 is amended to read as follows:

17 **“§ 4363. Separation by mailer of second-class mail**

18 “Publishers and news agents shall mail second-class mat-
19 ter in the manner directed by the Postmaster General.”

20 EFFECTIVE DATES

21 SEC. 14. (a) Sections 1, 4, and 13, and this section of
22 this Act shall become effective upon enactment of this Act.

1 (b) Sections 2, 3, 7, 9 (a) , 10, 11, and 12 of this Act
2 shall become effective July 1, 1967.

3 (c) Sections 5, 6, and 8, and subsections (b) , (c) , and

4 (d) of section 9 of this Act shall become effective Jan-
5 uary 1, 1968.

A BILL

To adjust certain postage rates, and for other purposes.

By Mr. DULSKI

April 5, 1967
Referred to the Committee on Post Office and Civil Service

music. ASCAP, in particular, is vulnerable to this criticism because, after deducting a generous 18 to 20 percent for its own overhead uses, it distributes 50 percent of the remaining royalties to music publishers and only 50 percent to songwriters.

Tenth. All of the performing rights organizations follow the practice of licensing performances of music through the issuance of blanket licenses covering their entire inventories. Such blanket licensing would be unrelated to, and would not accurately reflect, the actual play of individual records on automatic phonographs. It would be inherent, therefore, in any such system for blanket licensing of jukebox operations, that royalties would be paid to composers whose songs are included in licensed repertoires, whether or not their particular songs are played on jukeboxes. Necessarily, therefore, some of the performance royalties paid by the operators would go to composers other than those whose records are played on these machines.

Eleventh. ASCAP and BMI, the two largest "societies," are huge, monopolistic enterprises with multimillions of assets and annual revenue. Jukebox operators, on the other hand, are small businessmen who could not possibly bargain with them on equal terms. ASCAP and BMI are both subject to antitrust injunctions obtained at the instance of the U.S. Department of Justice. A grant to them of broad economic powers over the jukebox industry, as would be done by section 116, would compound the antitrust objections to these societies and their monopolistic operations.

Twelfth. Under section 116 of this bill the operators would be forced to bargain with the performing rights societies because this section provides no workable alternative statutory procedure. In recent committee hearings, this section has been characterized by presiding officials as an "administrative monstrosity," with the operators' expenses for bookkeeping, accounting, and reporting of royalties exceeding by several times the royalties which are also, exorbitantly high. Requirements for central registration of operators and their phonographs at the Copyright Office in Washington also would impose insuperable burdens on the operators. The royalty rate of 3 cents per recorded song per quarter would amount to an industry total, estimated by the committee, at \$9,216,000 per year. This would be additional to the mechanical royalties under section 115, which would be derived from this industry, and which would be increased by this section to \$2.5 million per year. Thus, this small industry would be subjected to copyright royalties totaling more than \$11.7 million per year if this bill is passed.

Thirteenth. The civil and criminal penalties which may be imposed upon the operators in this industry can amount to as much as \$20,000 or 3 years' imprisonment for a single infringement. Unlike some other users of copyrighted materials, no relief is provided for innocent infringement by a music operator.

Fourteenth. No greater protection to any property right is afforded at any

other place in the law as proposed in this bill. This bill has a statutory penalty of \$250, plus attorney fees, for each violation, and places the jukebox operator entirely at the mercy of all copyright owners of songs.

Fifteenth. The owner of a copyright can dispose of the same as he sees fit at whatever price he may ask. However, to permit him to collect royalties after he has once sold the same creates a new legal right. It is like the inventor of a spark plug who sells it to a manufacturing company, and thereafter the manufacturing company installs it in the engine of a bus. The bus is then used to transport people for profit, and under the theory of this bill, the patent owner would be entitled to collect certain sums for the use of the patent that had already been sold.

Sixteenth. All of section 116 should be deleted from the bill, and when the matter is presented to the House, I anticipate offering the following amendment:

SEC. 116. Exemption of public performance by means of coin-operated phonorecord players.

The reproduction or rendition of a musical composition by or upon a coin-operated machine shall not be deemed a public performance unless a fee is charged for admission to the place where such reproduction or rendition occurs.

Seventeenth. H.R. 2512 has many objectionable features. The principal purpose of this legislation is to extend to the copyright owner an absolute right to have the U.S. Government act for him in collecting royalties. Not only does it apply to jukeboxes, but to educational TV, CATV, county fairs, charitable benefits, and all other performances unless specifically exempted, which means that licenses must be obtained from ASCAP and BMI. This will lead to the greatest monopoly ever established in the history of the country.

ASCAP and BMI are both under injunctions for violating the antitrust laws and any disputes which may arise concerning franchise rights must be referred to a Federal court in New York City. This remedy is unworkable.

ESTABLISHING FAIR POSTAL RATES

(Mr. DULSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DULSKI. Mr. Speaker, as chairman of the House Committee on Post Office and Civil Service, and in accordance with tradition and custom of the committee, this afternoon I introduced the bill which the President submitted to the Congress today, with a special message, to increase postal revenues.

This measure, in my judgment, represents the most comprehensive approach to adjustment in our complex postal rate structure that has been presented in many years. The President's recommendations certainly warrant—and I am sure will receive—the most careful consideration by the Congress. The question with respect to financing the postal service, in the final analysis, is not whether added revenue is necessary but, instead, "how" such revenue will be

gained and "by whom" it should be paid. The American people must have the postal service, and the costs of operating it must be paid. It is up to the Congress to determine how the costs of this vast and essential communication system should be paid. More specifically, we must decide what part of the cost shall be paid by the Treasury financing and what part shall be paid by user charges levied in the form of postage.

Mr. Speaker, the membership may be assured that the President's recommendations will be the subject of very thorough and extensive hearings, at which those most vitally concerned will be heard. It will be our purpose to bring to the floor of the House a bill that is responsive to the fiscal requirements of the Government and the postal establishment and, at the same time, is fair to all users of the mails. A great deal of study and careful deliberation must be devoted to the development of legislation that will provide equitable distribution of the burden of postal revenues among users of all of the classes and categories of postal service.

It is appropriate, at this point, to call attention to one particular sector of mail users which for years has been the subject of unconscionable harassment—that has reached a crescendo during recent months. These are the much-maligned mailers of advertising matter under the third-class mail rights provided by law. A malicious four-letter descriptive term, coined by rivals and opponents of these users years ago, has come into wide usage; I will not dignify the term by repeating it here.

Those who are so critical of third-class mail should take the trouble to find out the tremendous contribution it makes to the national economy, the hundreds of thousands of jobs it creates, the deferred treatment it receives, and the vast amount of preparatory work the industry does to save costs for the postal establishment. They should recognize, too, that the jobs created by this industry are largely filled by unskilled labor—with an extraordinarily high proportion of handicapped persons employed. Were it not for this large reservoir of employment opportunity in the industry, we could not now take such pride in the lowest unemployment rate in history.

And so, in working out a sound and fair postal rate bill, we must compare the postal services given those who will pay the various rates and fees, and judge the relative values of these services in arriving at rates that are fair and compensatory in the light of all factors. Postal service is the only Government service specified in the Constitution. It was established in the first place, and its reason for being, is for first-class letter mail. First-class mail receives preference and priority, and this is key factor in determining the rate of letter postage. The 6-cent letter rate and the 9-cent airmail letter rate proposed by the President will still be the best bargain that an American can buy in today's economy.

At the same time, other classes of mail which do not receive top priority and preference—classes that not only are denied any preference or priority but, in-

stead, by law receive deferred service and themselves must do much of the work performed by postal employees for first-class mail—should bear lesser charges in the light of these conditions.

In the near future I plan to address the House, under "special order" and explain my views on these matters in more detail.

TUNE US IN, MR. PRESIDENT

(Mr. HALEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HALEY. Mr. Speaker, it is not always the newspapers with the large circulations and the high-priced columnists that present the true thinking of the American people. More often the real voice of the people is expressed by the newspapers with small circulations—the newspapers at the grassroots level.

Here is an editorial which appeared in the *Gondolier*, one of our fine weekly newspapers published at Venice, Fla. The editorial, entitled "Tune Us in, Mr. President," is worthy of thoughtful consideration not only by our President, but also by the Members of the Congress. Editor Sam Dillon expresses well the temper of the American people, the people who are continually questioning the fact that our Government is spending more than we have to spend and is leaving a huge debt that some generation other than our own will have to pay, if ever it is paid.

I think this editorial reflects a clear call from the grassroots level for the Congress to reduce expenditures. The editorial follows:

[From the *Gondolier*, Venice (Fla.), Mar. 16, 1967]

TUNE US IN, MR. PRESIDENT

Evidently President Johnson either didn't tune in on the November election returns, or he thinks he knows better than we do what we want and need.

His messages pour into Congress asking for continuation and extension of liberal legislation. This in spite of a clear indication by the voters that they favor relaxation of the pressure for spending and increase in federal intervention.

Many of his proposals have much merit, such as the 20 per cent increase in social security, the quarter-billion-dollar program for veterans of Vietnam and previous conflicts, and the 12-point pilot program for children and youths including a program for free meals for preschool children.

But interspersed are many possibly dangerous or at least controversial measures.

It is hoped, therefore, that Rep. James A. Haley and the other Florida congressmen and senators will remember that more and more of this state's citizenry are echoing Thomas Jefferson's warning to the founding fathers of this nation: "Do not bite at the bait of pleasure 'till you know there is no hook beneath it."

And more and more thinking men and women are remembering the old story of the monkey trap, and asking these same men in Congress to "beware of the trap of federal pap."

To make a monkey trap you simply cut off the end of a coconut, put some rice inside and hang it on a tree. Along comes Mr. Monkey, looks inside at the tempting bait and grabs the rice in his doubled up fist.

But then he can't get his fist out of the hole. He will jump up and down and scream

but he won't let go of the rice, so he has effectively trapped himself.

In much the same way Americans during the last few years have thoughtlessly accepted the bait of more and more federal aid, oblivious of the fact the federal government has quietly usurped many of the rightful functions of state and local governments.

No one disputes the fact that we need help, and lots of it, in fighting for the betterment of the individual citizen, but let us not be victimized by the wrong type of federal aid and like the monkey, be caught in a trap.

As citizens, let us keep abreast of the legislation in Congress, and if we feel the proposed laws or implementations are wrong or dangerous, courageously stand up and say so.

Make your voice heard in Washington, and let your elected representatives know exactly how you feel. They'll appreciate it.

THE ADAM CLAYTON POWELL CASE

(Mr. McCORMACK (at the request of Mr. Boggs) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include two profound articles, in fact, "legal briefs," on the Adam Clayton Powell case, written and prepared by Isidor Blum, and appearing in the *New York Law Journal* of March 23, 1967, and March 24, 1967, entitled "Mr. Powell, Congress, Constitution, the Courts."

[From the *New York Law Journal*,
Mar. 23, 1967]

MR. POWELL, CONGRESS, CONSTITUTION, THE
COURTS

(By Isidor Blum)

It has been but seldom, except in the Civil War period, that one who has been certified as elected to the House of Representatives or the Senate has been excluded for reasons unrelated to questions of election or to the qualifications prescribed in the Constitution.

In 1870 the House refused to seat one who while previously a Representative had taken money for making appointments to the Military Academy at West Point.

A Delegate-elect from the Territory of Utah was excluded by the House in 1882 because he was a polygamist. A Representative-elect from the State of Utah was excluded in 1900 for a like reason.

The Senate in 1927 excluded one who had been chairman of a public utilities commission and had received large campaign contributions from officers of public utility companies.

The case of Adam Clayton Powell, which has been added to this category, is unusual in other ways as well. One is the celerity with which the resolution to exclude was adopted. Proceedings to exclude or to expel have often been drawn out for months or even years, with protracted hearings, lengthy committee reports and extensive debate. It is unusual, too, in the repercussions that have ensued.

Moreover, although many actions have been brought in state courts to reverse determinations made by state legislative bodies concerning elections and qualifications, this appears to be the first time that a court has been asked to overturn a determination of this kind made by one of the two Houses of Congress.

Resort to the courts is unlikely to be of any avail. The courts have no general mandate to redress violations of the Constitution. They exercise that power only in the course of adjudging the rights of litigants in controversies of which they have jurisdiction and which are justiciable. The recent case of Julian Bond and the Georgia House of Rep-

resentatives (*Bond v. Floyd*, 385 U.S. 116) is at most only superficially similar to that of Mr. Powell.

The Constitution, in Article I, section 2, provides that "No person shall be a Representative who shall not have attained to the age of twenty-five years, and been seven years a citizen of the United States, and who shall not, when elected, be an inhabitant of the State in which he shall be chosen." Section 3 requires that a Senator shall be thirty years of age and shall have been a citizen for nine years.

"Each House," it is provided in Section 5, "shall be the judge of the elections, returns, and qualifications of its members."

Expulsion is provided for in another clause of Section 5: "Each House may determine the rules of its procedure, punish its members for disorderly behavior, and, with the concurrence of two thirds, expel a member."

In 1789, at the first session of the First Congress, the right of a Representative-elect from South Carolina was challenged, but unsuccessfully, on the ground that he had not been a citizen for seven years. Citizenship was less precisely defined then than it is now, as we may learn from a speech made by James Madison in the House on this occasion.

Five years later the Senate upheld a similar objection to the eligibility of Albert Gallatin, who had been elected a Senator by the Legislature of Pennsylvania. He was sworn and seated and the objection was thereafter considered. This procedure has often been followed. See *Barry v. United States ex rel. Cunningham*, 279 U.S. 597, 614.

Gallatin, a native of Geneva, came to America in 1780. He conducted his own defense in the Senate, ably and valiantly. The want of clarity concerning acquisition of citizenship can be seen in the debate. Henry Adams gave a detailed account of the whole matter in his biography of Gallatin.

Soon after the Senate by a vote of 14 to 11 declared his election "void," Gallatin was elected a Representative. He served in Congress until 1801, when he began his long and notable career as Secretary of the Treasury.

Rush D. Holt, of West Virginia, lacked seven months of being thirty years of age when he was elected a Senator in 1934. On the recommendation of a committee which examined the question, he was sworn and seated on attaining the required age.

The word "inhabitant" was deliberately used by the framers of the Constitution; it was substituted, as "less likely to misconstruction," for "resident," which was used on a prior draft. The discussion of this topic in the Federal Convention was quoted in both the majority and the minority reports of a committee of the House in 1928 on the question of the right of James M. Beck, a former Solicitor General of the United States, to be a Representative from Pennsylvania.

Whether requirements may be imposed in addition to those specified in the Constitution—age, length of citizenship, inhabitancy—appears to have been first debated in the House in 1807 when the election of William McCreery as a Representative from Maryland was contested on the ground that he did not meet the requirements of Maryland statutes relating to residence in the district. A number of the states had statutes of this kind.

In opposition to the recommendation of a committee which regarded the Maryland statutes as unconstitutional, a member of the House emphasized the negative form of the clauses in the Constitution and argued that the Constitution merely imposed several disqualifications and left the states free to impose others.

On the other hand it was argued that if this had been intended by the framers of the Constitution they would have said so. Other clauses were alluded to, as was also the nature of the office. A part of the Union, it was said, could not have power to fix the

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued September 22, 1967
For actions of September 21, 1967
90th-1st; No. 149

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HIGHLIGHTS: House committee reported meat inspection bill. House committee voted to report postal rate-pay raise bill. Senate passed bill to authorize cost-sharing for recreation and fish-wildlife on RC&D projects.

HOUSE

- FOREIGN AID.** Both Houses agreed to the new conference report on H. R. 9547, the Inter-American Development Bank bill (H. Rept. 650), which retained the audit provision. This bill will now be sent to the President. pp. H12261-2, S13448-9
- MEAT INSPECTION.** The Agriculture Committee reported with amendment H. R. 12144, to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs (H. Rept. 653). p. H12362

3. FOREIGN TRADE. The Rules Committee reported a resolution for the consideration of H. R. 478, to amend the Fair Labor Standards Act to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas. p. H12362
Rep. Findley criticized the purchase by an American food company of vegetable oil from the Soviet Union and urged an investigation as to the possibility that "this purchase constitutes a violation of the Antidumping Act." pp. H12321-2
4. RESEARCH. The Rules Committee reported a resolution for the consideration of H. R. 11284, to amend the organic act of the National Bureau of Standards to authorize a fire research and safety program, and to establish a National Commission on Fire Prevention and Control. p. H12362
5. EDUCATION. Passed with amendment S. 1160, to amend the Communications Act of 1934 by extending and improving the provisions relating to grants for construction of educational television facilities. A similar bill, H. R. 6736, passed earlier with amendment, was tabled. pp. H12267-310
6. COMMODITY EXCHANGES. The Agriculture Committee voted to report (but did not actually report) H. R. 11930, to amend the Commodity Exchange Act, as amended, so as to add four new commodities, coffee, sugar, livestock and livestock products. p. D838
7. MINING CLAIMS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 10583, to extend the provisions of the Act of October 23, 1962, relating to relief for occupants of certain unpatented mining claims. p. D838
8. POSTAL RATES; PAY RAISE. The "Daily Digest" states that the Post Office and Civil Service Committee "ordered reported favorably to the House H. R. 7977 (amended), to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees of the Federal Government, and to regulate the mailing of pandering advertisements." p. D839
9. HIGHWAYS; WATERSHEDS. The Public Works Committee voted to report (but did not actually report) S. 1467, to provide authorizations to carry out the purposes of highway safety and beautification programs; and approved work plans for six watersheds. p. D839
10. APPROPRIATIONS. The House agreed that "it may be in order on Wednesday, September 27, or any day thereafter,...to consider a joint resolution making continuing appropriations." p. H12259
11. POVERTY. Rep. Curtis inserted an article, "Is United States Really Filled with Poverty? A Look at the Facts." pp. H12324-6
Rep. Gonzalez inserted an address urging continuance of the poverty program. pp. H12351-2
12. FLAMMABLE FABRICS. Rep. Halpern urged prompt action on proposed legislation to amend the Flammable Fabrics Act of 1953. pp. H12330-1

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OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
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For actions of September 28, 1967
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HIGHLIGHTS: House committee again reported continuing appropriations measure, and several members discussed situation. Senate debated poverty bill. House agreed to conference report on Appalachia bill. House committee reported pay bill. Sen. Nelson introduced and discussed dairy marketing bill.

HOUSE

1. **APPALACHIA.** Agreed to the conference report on S. 602, to continue and amend the Appalachia program. pp. H12637-9
2. **APPROPRIATIONS.** The Appropriations Committee reported H. J. Res. 853, making continuing appropriations until Oct. 10 (H. Rept. 724) (p. H12743). Rep. Mahon asked consent for consideration of the measure, but Rep. Bow objected, saying it is the same language as recommitted previously, but suggesting that the Rules Committee be asked to clear a rule under which his amendment could be in order.

Reps. Mahon, Albert, Gerald R. Ford, and Ottinger discussed the matter. pp. H12634-7, H12711

3. PAY; POSTAL RATES. The Post Office and Civil Service Committee reported with amendment H. R. 7977, the Federal pay and postal rates bill (H. Rept. 722). p. H12743
4. FOREIGN TRADE. Passed, 340-29, without amendment H. R. 478, to amend the Fair Labor Standards Act to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas. pp. H12631-4, H12639-71
Rep. Berry inserted Rep. Langen's speech deploring mink imports and criticizing this Department for not recommending emergency loans to mink producers. pp. H12684-6
Rep. Nelsen inserted an article deploring the mink import situation. pp. H12698-9
Rep. Curtis said Japan and other countries might restrict importation of our agricultural commodities in retaliation to a U. S. restriction on textile imports. p. H12686
Rep. Curtis inserted a bank's analysis of the Kennedy Round tariff negotiations. pp. H12687-9
5. PERSONNEL. Agreed to the conference report on S. 1320, to provide for acquisition of career status by certain temporary employees who have been working in permanent jobs but have been denied career status through no fault of their own. p. H12637
6. FOREIGN AID. Reps. Friedel and Cohelan recommended the President's development program for Southeast Asia. pp. H12672-3, H12714
Received the report of the National Advisory Council on International Monetary and Financial Policies on the Asian Development Bank (H. Doc. 166). p. H12743
7. TRUTH IN LENDING. Rep. Sullivan recommended a strong truth-in-lending bill and said the President asked her to fight for it. p. H12672
8. POVERTY. Rep. Friedel inserted statements supporting the Job Corps. pp. H12674-5
Rep. Mink inserted statements on visits to Job Corps camps by members of Congress. pp. H12709-11
Rep. Gonzalez said poverty-program employees helped recent flood victims. p. H12716
9. CENSUS. Rep. Betts discussed problems in planning for the 1970 census. pp. H12677-81
10. TOBACCO. Rep. Talcott spoke in favor of additional legislation to discourage smoking. p. H12702
11. SCIENCE WEEK. Rep. O'Neal, Ga., inserted Secretary Freeman's speech in connection with Agricultural Science Week. pp. H12724-6
12. AIR POLLUTION. Rep. Murphy, N. Y., recommended legislation to control air pollution. pp. H12736-7

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

SEPTEMBER 28, 1967.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DULSKI, from the Committee on Post Office and Civil Service, submitted the following

REPORT

together with

INDIVIDUAL AND MINORITY VIEWS

[To accompany H.R. 7977]

The Committee on Post Office and Civil Service, to whom was referred the bill (H.R. 7977) to adjust certain postage rates, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

AMENDMENTS

The committee proposes two amendments to the bill: "An amendment to the text and an amendment to the title."

AMENDMENT TO THE TEXT

The amendment proposed by the committee to the text of the bill strikes out all after the enacting clause and inserts in lieu thereof a substitute text which is contained in italic type in the reported bill. The explanation of the provisions of the substitute text is contained in the explanation of the bill set forth hereinafter in this report.

AMENDMENT TO THE TITLE

The amendment proposed by the committee to the title of the bill is intended to reflect more accurately the text of the bill as proposed to be amended by the committee.

PURPOSE

The major purposes of this legislation are—

To increase postal rates in order to provide postal revenues approximately equal to postal operating costs after public service expenses have been deducted, as authorized by the congressional policy set forth in 39 U.S.C. 2202(c)(4);

To increase salaries of Government employees and provide authority to complete the implementation of the congressional policy specified in 1962, 5 U.S.C. 5301(2), to bring Federal salary schedules to levels that are comparable to those in private enterprise; and

To regulate the mailings of pandering advertisements.

It is also the purpose of this legislation—

To improve the mailing privileges for members of the Armed Forces; and

To modernize the provisions relating to mail matter for the blind, and to include within the benefits of such provisions persons who cannot read conventionally printed material because of physical impairment.

EXECUTIVE RECOMMENDATIONS

The postal rate legislation is based on the recommendations of the President included in his message to the Congress on April 5, 1967, House Document No. 95, 90th Congress. A detailed explanation of the recommendations is included in the Postmaster General's report to the Congress dated April 17, 1967, entitled "Survey of Postal Rates," House Document No. 106, 90th Congress. The draft of legislation on postal rates was submitted by the Postmaster General to the Congress by letter dated April 5, 1967. The legislation recommended is included in H.R. 7977 as introduced.

The draft of legislation on Federal salaries was submitted by the Chairman, U.S. Civil Service Commission, on April 5, 1967, and is included in H.R. 8261 as introduced.

The President's message is set forth, as follows:

To the Congress of the United States:

Two weeks ago in my Message to the Congress on the Quality of American Government, I stated:

"The machinery of our Government has served us well. It has been the vehicle of the greatest progress and prosperity any nation has ever achieved.

"But this record should give us no cause for complacency. For any realistic review today reveals that there are substantial improvements to be made."

Today I ask the Congress to take two vital steps to help bring about those improvements:

—*Increase the salaries of Government employees.*

—*Increase postal rates and improve postal services.*

In America we demand the highest level of excellence in the public service. If we expect high quality,

—We must be able to attract and keep highly competent career employees.

—We must be willing to give them the machinery they need to do an effective job.

SALARY INCREASES

Through the years, this Nation has built a corps of public servants whose quality is unmatched by any other country in the world.

Our career employees are well-trained and experienced. In ever-increasing numbers, they are skilled professionals. They include not only administrators and managers, but doctors, lawyers, diplomats, economists, scientists, engineers, actuaries, systems analysts, law enforcement officers, nurses—and many others critically needed to provide public services in a complex world.

These men and women come to the public service not by chance, but by choice. They come because they are challenged by problems that are far-reaching—and fateful. They come because Government offers unique opportunities for unselfish service.

From them, we expect unusual dedication. In turn, they have a right to expect from their Government rewards that match their contributions.

We have made great progress recently toward a pay scale which approaches that of private industry. Since 1962, civilian employees have received pay increases amounting to more than 23 percent. We have improved retirement and other fringe benefits so that they now compare favorably with benefits in private industry. There have been corresponding increases in military pay, and fringe benefits have been improved substantially.

Yet we still fall short of comparability with private industry. The Annual Report of the Chairman of the Civil Service Commission and the Director of the Bureau of the Budget describes the gap which remains between Government and industry pay scales. I am transmitting that report to the Congress today with the renewed conviction that this gap must be closed.

To close the gap in one year would require an average pay increase of 7.2 percent. With a similar increase for the Armed Forces, the cost would be more than \$2.5 billion per year.

In view of today's fiscal and economic conditions, my advisers inform me that a pay raise of this magnitude would not be prudent. While inflationary pressures in the economy have lessened in recent months, they have not disappeared. They could easily recur. We must therefore continue to seek restraint in private wage settlements and to exercise restraint in the operations of Government.

But a pay raise for the Government's employees clearly is needed. We must avoid placing the Government at a serious disadvantage in recruiting and retaining competent workers—and we must keep faith with our employees.

To do so requires that we achieve comparability with private pay levels—and that we do it in a way which does not endanger our unparalleled economic prosperity.

As President Kennedy said five years ago, "to pay more than this is to be unfair to American taxpayers—to pay less

is to degrade the public service and endanger our national security."

I recommend a 4.5 percent pay increase for civilian employees effective October 1, 1967.

I recommend that the Congress take the final step this year to achieve full comparability with private industry. I propose a two stage plan to remove the remaining comparability lag in all grades by October 1, 1969. The first step would take effect in October 1968 and the second a year later.

For our military personnel, pay alone can never reflect the full measure of our debt. On the battlefields, in outposts where there is tension but no battle, in the vast defense installations of our country, these men and women protect our national security. We must assure them and their families that they will be compensated for their service on a scale which is comparable to that of their 2.5 million civilian co-workers. As civilian pay goes up, so should the pay of the armed services.

I recommend an increase in regular military pay similar to the raise for civilians—an average 4.5 percent effective October 1, 1967.

This year the Secretary of Defense has been conducting a searching review of the principles underlying the military compensation system. When these studies have been completed, I will recommend further changes in the Armed Forces pay system.

We must also take steps to ensure the adequacy of salaries for top officials in the Legislative, Judicial and Executive Branches of the Government. To this end, I have established a special Commission headed by Frederick R. Kappel to study executive pay in the three branches of the Federal Government. When I have reviewed its report, I will make recommendations for appropriate adjustments in these areas.

Salary reform for the government of an increasingly complex and ever-changing society is never complete. The entire structure and interrelationships of all Federal pay systems, civilian and military, should be continually reviewed and improved. The adequacy of the basic pay system itself must be periodically re-examined.

I recommend that a special Joint Salary Commission, representing the Executive, Legislative, and Judicial Branches, be established to examine all Federal pay systems and report to the President and Congress within two years.

POSTAL RATES AND SERVICES

The postal service is the key link of the Nation's commerce. It is also the personal communications network of some 200 million private citizens. It must be responsive to the needs of the public and the needs of the business community.

That system now bears a tremendous burden. Each year the Post Office Department processes as much mail as the rest of the world combined. To cope with the great outpouring of mail created by our country's increasing social and economic

activity, we must have a modern, highly mechanized postal service.

We do not have such a postal service today.

The post offices in many of our major cities were built during the 1930's—built to handle between 25 and 30 billion pieces of mail a year. This year, nearly 80 billion items will move through the postal system. Next year still another 3 billion pieces of mail will be processed. If this growth rate continues, mail volume will exceed 100 billion pieces a year by 1976.

These figures make it dramatically clear that we must remodel old post offices and build new facilities. We must equip them with modern, high-speed mail processing machines—the most efficient our Nation's technology can produce.

We have made a good start in the past few years on modernizing and mechanizing the postal service. That pace must now be quickened. We must place even greater emphasis on research, engineering and new technology. We must intensify our efforts to enlist the support of all Americans to increase their use of the ZIP code.

In the 1968 budget I have recommended more than \$300 million for postal modernization. This represents a 40-percent increase in expenditures for research and engineering and a 46-percent increase in funds for plant and equipment.

These are substantial increases. But they are fully justified by the planning that has preceded them and the size of the task that lies ahead.

To keep pace with the demands of a growing Nation, we must also modernize the postal rate structure. We must bring postal revenues into line with operating costs.

Present rates do not provide sufficient funds for necessary improvements in postal facilities and equipment. *Indeed, present revenues do not even cover normal operating costs.*

For fiscal 1968, the Post Office Department deficit will be about \$1.2 billion—and this does not include the pay increase I am recommending today. Less than half of this deficit is attributable to the "public service" functions of the Department.

Yet the Postal Policy Act of 1958 calls for postal revenues "approximately equal" to operating costs after public service expenses have been deducted.

I recommend that the Congress increase postal rates for all classes of mail:

- First class and airmail:* a 1-cent increase in postage for cards and letters sent first-class or airmail, effective July 1, 1967.
- Second class:* an average increase of 22 percent for all categories of second-class mail, phased over a 3-year period beginning January 1, 1968.
- Third class:* an average increase of 28 percent for all categories of third-class mail. The rate increase for single pieces of mail will go into effect July 1, 1967, and the bulk rate increase on January 1, 1968.

—*Fourth class*: an average increase of 21 percent for special rate fourth-class mail (mainly books and records,) effective July 1, 1967.

—*A special surcharge* on odd-sized envelopes which cannot be processed by postal machinery. This surcharge, which will go into effect in 2 years, is designed to discourage the use of envelopes which cannot be rapidly processed through postal machinery.

The rate increases for second and third class bulk mail would have been substantially higher and would have been needed sooner if the ZIP code presorting regulations had not become effective on January 1 of this year. In recognition of the cost to mailers of ZIP coding and the savings anticipated from this program, I am recommending that the effective date for second class and bulk rate third class increases be delayed until January 1, 1968.

These postal rate increases will produce \$700 million in postal revenues in fiscal 1968. When fully effective, they will add more than \$800 million annually to postal revenues.

This legislation will provide the necessary funds for postal modernization and the proposed pay increase for postal employees. It will enable the Post Office Department to begin immediately to provide better services for all Americans:

- Faster and more efficient delivery of the mails,
- Restoration of six-day parcel post service,
- Door delivery in some residential areas now served by roadside boxes.

A BETTER GOVERNMENT

The pay and postal rate increases I recommend in this message are essential if we are to have a government of responsive and talented people and an efficient postal system.

Delay in attaining comparability beyond the effective dates I have suggested is inexcusable. To neglect—and thus impair—the public service would be far more expensive for the American people in the long run.

Delay in enacting the postal rate increases I request will hamper significantly our efforts to build a modern and efficient postal system.

The government of this Nation can never be any better than the people who work for it, the tools they have, and the people whom they serve.

I urge the Congress to act promptly on these proposals to insure those who work in our government just pay for the dedication they bring to the task of serving every one of us.

LYNDON B. JOHNSON.

THE WHITE HOUSE, April 5, 1967.

TITLE I—POSTAL REVENUE ACT OF 1967

REVENUE-COST

The postal rate increases provided by this legislation, when fully effective, will add more than \$884 million annually to postal revenue.

The Post Office Department's operating deficit in fiscal year 1967 was \$1,148 million, up from \$942 million in fiscal year 1966.

Of the total 1967 deficit, \$557 million was estimated as public service costs. These costs, enumerated in 39 U.S.C. 2303, are associated with the services performed by the Post Office Department to benefit the Nation as a whole rather than any one mail user group.

The difference between public service costs (\$557 million) and the operating deficit (\$1,148 million) is termed the "postal deficiency," which was \$591 million for fiscal year 1967.

The additional revenue of over \$884 million, expected to result in this legislation when fully effective, is expected to be sufficient to reduce the estimated postal deficiency and cover such increases in cost as can be expected due to—

- (1) Major service improvements now being initiated or planned to meet the unprecedented increase in mail volume;
- (2) The pending pay increases for postal employees; and
- (3) Postal modernization projects.

The provisions of title I of the bill extending the mailing privileges for the U.S. Armed Forces (secs. 101 (b) and (c), 102(b)(3), 116, and 117) will add approximately \$6.5 million in costs for the Department of Defense, which is responsible for such costs for the Armed Forces.

SUMMARY OF PROPOSED RATE CHANGES

FIRST CLASS AND AIRMAIL (SECS. 101 AND 102)

Mail class	Present rate	Postmaster General's recommended rate	Committee amendment rate
1st class:			
Letters.....	5 cents per ounce.....	6 cents per ounce.....	6 cents per ounce.
Drop letters.....	4 cents per ounce.....	5 cents per ounce.....	Do.
Cards.....	4 cents each.....	5 cents each.....	5 cents each.
Airmail:			
Letters.....	8 cents per ounce.....	9 cents per ounce.....	10 cents per ounce.
Cards.....	6 cents each.....	7 cents each.....	8 cents each.
Parcel post.....	By zones.....	By zones.....	By zones.

SECOND-CLASS PUBLICATIONS

Regular rates—Outside county (sec. 104)

The committee approved a 23-percent increase, effective in three steps beginning on January 7, 1968, as recommended by the Postmaster General. The current rates and the rates proposed by the committee are set forth below:

Current rates

Editorial and news content.....	2.8 cents per pound.
Advertising:	
Zones 1 and 2 (150 miles).....	4.2 cents per pound.
Zone 3 (300 miles).....	5.2 cents per pound.
Zone 4 (600 miles).....	7.2 cents per pound.
Zone 5 (1,000 miles).....	9.2 cents per pound.
Zone 6 (1,400 miles).....	11.2 cents per pound.
Zone 7 (1,800 miles).....	12 cents per pound.
Zone 8 (over 1,800 miles).....	14 cents per pound.
Minimum.....	1 cent per piece.

COMMITTEE

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3

Nonprofit publications (sec. 103)

At present a flat rate of 1.8 cents a pound with a minimum of 0.125 cent per piece, is charged for qualified nonprofit second-class mail. The Postmaster General proposed an increase to 0.2 cent on the minimum rate and increases over a 3-year period on the pound rates in proportion to the amount of advertising content. The committee increases the existing minimum charge per piece of 0.125 cent to 0.2 cent, prescribes a three-step increase for the nonadvertising portion, and provides that the advertising portion of nonprofit publications would be subject to zone rates that increase in six steps during the period 1968-73. The Postmaster General's and the committee's proposals, beginning on January 7, 1968, are set forth below:

POSTMASTER GENERAL

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound when the advertising portion is--			
10 percent or less.....	1.9	2.0	2.1
Over 10 percent but not more than 20 percent.....	2.0	2.1	2.2
Over 20 percent but not more than 30 percent.....	2.0	2.2	2.3
Over 30 percent but not more than 40 percent.....	2.0	2.2	2.4
Over 40 percent but not more than 50 percent.....	2.1	2.3	2.5
Over 50 percent but not more than 60 percent.....	2.1	2.3	2.6
Over 60 percent but not more than 70 percent.....	2.1	2.4	2.7
Over 70 percent.....	2.1	2.5	2.8
Minimum charge per piece.....	.2	.2	.2

COMMITTEE

[In cents]

	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

Classroom publications (sec. 103)

The committee approved the Postmaster General's recommendation that classroom publications continue to pay 60 percent of the regular outside county rates.

Within county rates (secs 103 and 113)

The committee made the per copy rates applicable only to publications mailed for delivery at the post office of original entry and adopted a rate schedule which is the same as that recommended by the Postmaster General, as follows:

	Current rates (cents)	Committee	
		Year	Rates (cents)
Per pound.....	1.25	1968	1.3
		1969	1.4
		1970	1.5
Minimum per piece.....	.125	1968	.2

Agricultural publications (sec. 103)

Adopted a separate category for agricultural publications devoted to promoting the science of agriculture, 70 percent of which are distributed to rural areas. This category will have a rate for the advertising portion of 4.2 cents per pound in the first and second zones (present rate).

CONTROLLED CIRCULATION

The committee adopted an increase (sec. 106) phased over 3 years, beginning January 7, 1968, in the pound rate and the minimum per piece rate, the same as recommended by the Postmaster General, as follows:

	Current rates (cents)	Committee	
		Year	Rates (cents)
Per pound.....	13.5	1968	14.0
		1969	14.5
		1970	15.0
Minimum per piece.....	1.0	1968	1.9
		1969	2.9
		1970	3.8

THIRD-CLASS MAIL

Single piece rates (sec. 107)

The committee adopted an increase in the single piece rates to 6 cents for the first 2 ounces or fraction thereof and 2 cents for each additional ounce or fraction thereof. Current rates are 4 cents and 2 cents; the Postmaster General had recommended an increase to 5 cents for the first 2 ounces, with 2 cents for each additional ounce.

Bulk rate regular (sec. 107)

The committee adopted bulk rates, the same as recommended by the Postmaster General, effective January 7, 1968, as follows:

	Current rates (cents)	Committee (cents)
Per pound (books, etc.).....	12	16.0
Per pound (circulars, etc.).....	18	22.0
Minimum per piece.....	2.875	3.8

Bulk nonprofit (sec. 107)

Pound rates for bulk nonprofit third-class mailings are 50 percent of the regular pound rates and the minimum rate is increased as recommended by the Postmaster General, as follows:

	Current rates (cents)	Committee (effective Jan. 7, 1968) (cents)
Per pound (books, etc.).....	6	8.0
Per pound (circulars, etc.).....	9	11.0
Minimum per piece.....	1.25	1.9

Charitable nonprofit (sec. 107)

The committee increased the existing minimum rate of 1.25 cents to 1.3 cents per piece for bulk nonprofit mailings of organizations with charitable, religious, or general health purposes, or when bulk mailings by qualified nonprofit organizations consist wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

SPECIAL RATE FOURTH-CLASS MAIL

General rate (sec. 108)

The general rate for books, films, records, and other special items, which is now 10 cents for the first pound and 5 cents for each additional pound, was increased to 16 cents for the first 2 pounds and 6 cents for each additional pound, as recommended by the Postmaster General.

Library rate (sec. 108)

A special library rate, which is now 4 cents for the first pound and 1 cent for each additional pound, was increased to 8 cents for the first 2 pounds and 3 cents for each additional pound, as recommended by the Postmaster General.

REVENUE EFFECT OF COMMITTEE CHANGES

[In millions of dollars]

Mail class	H.R. 7977	Com- mittee changes	Com- mittee bill
1st class:			
Letters.....	493.2	-----	493.2
Drop letters.....	1.1	+1.1	2.2
Cards.....	23.0	-----	23.0
Total, 1st class.....	517.3	+1.1	518.4
Airmail:			
Letters.....	28.1	+28.2	56.3
Cards.....	.3	+.3	.6
Parcels.....	-9.2	+2.0	-7.2
Total, airmail.....	19.2	+30.5	49.7
2d class:			
Regular.....	25.0	-----	25.0
Nonprofit.....	2.2	+4.0	6.2
Classroom.....	.4	-----	.4
In-county:			
Pound rate.....	1.0	-----	1.0
1 cent or 2 cents per piece.....	1.0	-----	1.0
Transient.....	.5	-----	.5
Total, 2d class.....	30.1	+4.0	34.1
3d class:			
Single piece.....	34.9	+34.9	69.8
Bulk—Regular.....	154.1	-----	154.1
Bulk—Nonprofit.....	21.8	-11.7	10.1
Total, 3d class.....	210.8	+23.2	234.0
Controlled circulation.....	6.4	-----	6.4
4th class: Educational material.....	12.3	-----	12.3
Government mail.....	28.8	.4	29.2
Total.....	824.9	+59.2	2 884.1

¹ Adjusted to reflect separate rate increases for charitable, religious, and health organizations.

² Estimates do not include changes affecting the following: 2d-class "inserts," air 2d class, bills and statements of accounts, and reduced 2d-class rates for farm publications.

PROJECTED COST COVERAGE BY CLASSES OF MAIL

[In percent]

Mail classification	Without public service			With public service		
	Now ¹	After H.R. 7977	After com- mittee bill	Now ¹	After H.R. 7977	After com- mittee bill
1st class.....	103.0	123.3	123.3	103.0	123.3	123.3
Airmail:						
Letters and cards.....	105.3	118.5	131.7	105.3	118.5	131.7
Parcel post.....	174.5	159.5	162.4	174.5	159.5	162.4
Total, airmail.....	121.3	128.1	138.9	121.3	128.1	138.9
2d class:						
In county.....	13.1	15.2	15.2	100.0	100.0	100.0
Nonprofit.....	7.0	8.8	11.9	100.0	100.0	100.0
Classroom.....	18.3	23.8	23.8	100.0	100.0	100.0
Regular.....	29.3	36.2	36.2	29.3	36.2	36.2
Transient.....	92.1	100.0	100.0	92.1	100.0	100.0
Total, 2d class ²	23.3	28.4	29.0	35.2	42.5	42.9
Controlled circulation ²	57.9	73.1	73.1	57.9	73.1	73.1
3d class:						
Single piece rate.....	86.2	100.6	114.9	86.2	100.6	114.9
Bulk rate regular ²	61.2	80.2	80.2	61.2	80.2	80.2
Bulk rate nonprofit ²	27.0	40.7	33.4	100.0	100.0	100.0
Total, 3d class.....	62.9	80.3	82.4	69.3	86.8	90.0
4th class:						
Parcels and catalogs ³	97.3	97.3	97.3	97.3	97.3	97.3
Special rate 4th class.....	42.4	51.1	51.1	100.0	100.0	100.0
Total, 4th class.....	89.9	91.1	90.8	97.5	97.5	97.5
Government mail.....	105.2	124.9	125.1	105.5	125.3	125.5
International mail ³	90.4	100.2	100.2	90.6	100.3	100.3
Total, all mail and services.....	83.1	95.4	96.5	91.5	104.5	105.7

¹ Fiscal year 1966 adjusted for known revenue and cost changes as reported in the fiscal year 1966 cost ascertainment report.

² Not adjusted for mandatory ZIP code savings.

³ Rates set administratively by Postmaster General; International rate changes effective May 1, 1967.

MAIL CLASS FINANCES, 1966 ADJUSTED¹

[Dollar amounts in millions]

Classification	Revenues	Costs	Deficit or surplus	Public services	Postal deficiency or surplus	Cost coverage (percent)	
						Before public services	After public services
First-class mail.....	\$2,333.9	\$2,266.2	+\$67.7	-----	+\$67.7	103.0	103.0
Airmail:							
Letters and cards.....	185.9	176.5	+9.4	-----	+9.4	105.3	105.3
Parcel post.....	90.5	51.9	+38.6	-----	+38.6	174.5	174.5
Fees.....	.6	-----	+.6	-----	+.6	-----	-----
Total.....	277.0	228.4	+48.6	-----	+48.6	121.3	121.3
Second-class mail:							
Incounty.....	10.1	77.4	-67.2	\$67.2	-----	13.1	100.0
Nonprofit publications.....	8.3	118.2	-109.9	109.9	-----	7.0	100.0
Classroom publications.....	1.5	8.0	-6.6	6.6	-----	18.3	100.0
Regular publications.....	97.7	334.1	-236.3	-----	-236.3	29.3	29.3
Return form 3579.....	4.3	-----	+4.3	-----	+4.3	-----	-----
Transient.....	4.4	4.8	-.4	-----	-.4	92.1	92.1
Total, second-class mail.....	126.3	542.5	-416.2	183.7	-232.5	23.3	35.2
Controlled circulation publications.....	18.9	32.7	-13.8	-----	-13.8	57.9	57.9
Third-class mail:							
Single-piece rate.....	200.9	233.1	-32.2	-----	-32.2	86.2	86.2
Bulk-rate regular.....	436.2	713.3	-277.1	-----	-277.1	61.2	61.2
Bulk-rate nonprofit.....	36.9	136.4	-99.5	99.5	-----	27.0	100.0
Fees.....	7.6	-----	+7.6	-----	+7.6	-----	-----
Total, third-class mail.....	681.6	1,082.8	-401.2	99.5	-301.7	62.9	69.3
Fourth-class mail:							
Parcels.....	783.8	794.3	-10.5	-----	-10.5	98.7	98.7
Catalogs.....	31.1	43.8	-12.7	-----	-12.7	71.0	71.0
Fees.....	.6	-----	+.6	-----	+.6	-----	-----
Total, zone-rate mail.....	815.5	838.1	-22.6	-----	-22.6	97.3	97.3
Special-rate fourth-class mail.....	55.4	130.6	-75.2	75.2	-----	42.4	100.0
Total, fourth-class mail.....	870.8	968.6	-97.8	75.2	-22.6	89.9	97.5
Government mail.....	136.1	129.4	+6.7	.4	+7.1	105.2	105.5
Free for the blind.....	-----	2.9	-2.9	2.9	-----	-----	100.0
International mail.....	157.9	174.5	-16.7	.3	-16.3	90.4	90.6
Special services ²	278.3	333.2	-55.0	55.0	-----	83.5	100.0
Nonpostal services for other agencies ³	81.9	106.4	-24.5	24.5	-----	77.0	100.0
Unassignable revenues and costs.....	9.4	8.6	+.8	-----	+.8	109.5	109.5
Public service direct costs.....	-----	105.5	-105.5	105.5	-----	-----	-----
Total, all mail and services.....	4,972.0	5,981.8	-1,009.7	547.1	-462.6	83.1	91.5

¹ Adjusted for known cost and revenue changes

² Special services includes: registered, certified, insured, or cash on delivery mail, special delivery, money orders, and stamped envelopes; offset by a surplus in postal savings and box rents.

³ Nonpostal services for other agencies includes: civil service functions for other agencies, documentary stamps, migratory bird stamps, official mail messenger service, building services for other agencies; offset by a surplus in sales of U.S. savings bonds.

Note: Estimated current basis, Jan. 20, 1967.

COST ASCERTAINMENT AND POSTAL RATE-FIXING POLICY

The cost ascertainment system is a statistical-accounting system. It develops the ratio of revenue to cost for each class of mail or services, showing the percentage of cost coverage for each class. The system does not take into account factors, other than cost, which generally are to be considered in fixing postal rates and fees under policies established by law (39 U.S.C. 2301-2306).

For example, the system does not attempt to evaluate such service differences as—

1. The value of priority given first-class and airmail, or the deferment given to any other class of mail;
2. The relative values of the various services to the public; or
3. The relative intrinsic values of the items handled.

Some people consistently try to justify postage rate adjustments solely on cost coverage percentages, which is contrary to congressional policy based on law.

The cost coverage percentages are merely one of the many factors that, under the statutory policy, should be considered and weighed in the congressional rate-fixing process.

Cost ascertainment

The cost ascertainment system is required by law (39 U.S.C. 2331) to state the revenues derived from and cost of—

1. Carrying and handling the several classes of mail matter; and
2. Performing special services.

The system is designed to credit to each of the classes of mail and services the portion of revenue it has earned, and to assess against each its portion of the cost of the postal service.

The principal source of postal revenue is from the sale of stamps and from postage which is paid under a permit. In many cases, there is no possible way to identify postal revenues by class of mail as stamps may be used for service on any class of mail and on special services requiring stamps.

Revenues are distributed—

1. By direct identification of the class of mail where possible;
2. By assignment of amounts computed from administrative records; or
3. By apportionment based on the accounting and sampling at designated cost ascertainment post offices (500 in fiscal year 1966).

Costs distributed include those financed from revenues and reimbursements and those charged against appropriation limitations.

The assignment of costs is made by—

1. Direct allocation to each class of mail wherever possible;
2. Assignment of amounts computed from administrative records; or
3. Apportionment based on tests and sampling reflecting the use of facilities and personal services for each class of mail or category for special services.

The tests and sampling during fiscal year 1966 were conducted at 500 cost ascertainment offices during four specified periods of 7 consecutive days each.

On January 1, 1967, the Post Office Department installed a new system for collecting data on revenue, pieces, and weight of mail, by classes of mail and type of service. This new system is based on probability sampling.

Under the new method of probability sampling, the Department employs random samples of the mail. The data-collection effort is dispersed throughout the entire year, thereby reflecting daily and seasonal variations. The old method concentrated data collection during 4 weeks of the year, one in each calendar quarter. Under that

method, special adjustments were required to reflect seasonal variations.

The Post Office cost ascertainment system has been studied many times in its history, and it is under continual study by the Post Office Department itself. This is, as nearly as it can be at any point in time, an unbiased system of revenue allocation and cost allocation which seeks to portray the financial aspect of things as they actually are. It ascribes to each class of service the portion of the revenues that that class brings in. And it ascribes to each class of service or other activity the costs that are involved in performing the service or conducting the activity. The system uses scientific sampling and other statistical techniques, and conventional cost accounting principles.

Postal rate-fixing policy

It is the declared policy of the Congress (39 U.S.C. 2301-2306) that the Congress will fix and adjust from time to time the postal rate structure as the public interest may require in accordance with the general principles, standards, and related requirements specified in the law.

Historically, and as a matter of public policy, the Congress has recognized and accepted certain relationships among the several classes of mail. The major principles, standards, and related requirements, as set forth in the law, which justify the relationship among the several classes of mail are—

1. Postal rates and fees shall be adjusted from time to time as may be required to produce the amount of revenue approximately equal to the total cost of operating the postal establishment less the amount deemed attributable to the performance of public service;

2. First-class mail constitutes a preferred service and therefore, the postage for first-class mail should be sufficient to cover the entire amount of the expenses allocated to first-class mail, plus an additional amount representing the quality and character of the service rendered in terms of priority, secrecy, security, and speed of transmission;

3. All classes of mail, particularly second- and third-class mail, have been instrumental in providing one or more of the following—communication of intelligence, dissemination of information, the advancement of education and culture, the distribution of articles of commerce and industry, and the growth of many commercial enterprises which contribute materially to the national economy and to the public welfare.

The mailers of second- and third-class mail are required to process and present their mailings as directed by the Postmaster General. The steps involved in the preparation by the mailer represent, in most cases, at least one-half of the mail-handling steps. In the case of first-class mail, all of these steps are performed by postal employees. The material which follows highlights this point.

MAIL PROCESSING FUNCTIONS PERFORMED BY POSTAL EMPLOYEES

1st class	2d or 3d class (bulk)
I. Acceptance: a. Bulk deposits by patron (platform or window) b. Lobby drop or collection box 1. Collection by postal employee	I. Acceptance: a. Bulk 1. Mailer brings to weighing unit (for computation of postage) 2. Plant acceptance and loading (confined to very largest mailers)
II. Initial preparation by post office at city of mailing: a. Cull and face (or batch) (except metered mail which represents about 50 percent) b. Cancel (except metered mail, 50 percent)	II. Initial preparation by post office at city of mailing: None
III. Outgoing sorting: a. Separation to destination post offices (except patron separated mails)	III. Outgoing sorting: a. None (except minimal amounts of States or mixed States mails where volume is not sufficient to require presorting by mailer)
IV. Pouching: a. All outgoing mails	IV. Sacking: a. None (except when less than $\frac{1}{8}$ of sack is involved where mailer is not required to sack to destination city or to sectional center)
V. Transportation: a. Train b. Truck c. Air	V. Transportation: a. Train b. Truck
VI. Incoming sorting by delivery post offices: a. Primary b. Secondary	VI. Incoming sorting by delivery post offices: a. Primary, only where volume is insufficient for mailer to presort to 5-digit ZIP code b. Secondary
VII. Local transportation to delivery carrier: a. Manual to carrier's case at same postal unit b. Vehicle to carrier's case at station	VII. Local transportation to delivery carrier: a. Manual to carrier's case at same postal unit b. Vehicle to carrier's case at station
VIII. Delivery by carriers: a. Sortation in sequence of delivery b. Delivery to address	VIII. Delivery by carriers: a. Sortation in sequence of delivery b. Delivery to address

Establishment of the rates to be charged for postal services is only partially a problem in financial management. Much more importantly, it is a problem in specifying or respecifying national public policy. Important segments of commerce and industry, and important segments of social activity, have grown up around the postal service and its rate structure over the years, and it is fair to say that there is now and has long been a built-in interdependence which must always be carefully considered when postal rate revision is proposed. Also, of course, there is a built-in tendency for mail users to defend the status quo, or even simply to delay the effectiveness of change. Drastic or sudden revision of the postal rate structure could produce wholly unwanted side effects, as many interested parties are quick to point out whenever it is suggested that there should be a rate revision.

There are classes of mail which are carried at revenue rates that do not contemplate full recovery of cost. There are classes of mail which are carried at revenue rates intended to provide full cost recovery but not more than that. There are classes of mail, or classes of auxiliary service, that produce no revenues at all, these being deemed necessary or desirable public services to be paid for with money raised by general taxation. And then there is the first-class mail service which produces revenues from which, in the view of many people, something more than cost recovery should be expected.

Based on all of these factors, the Congress has encouraged the use of second- and third-class mail through reasonable and special postal rates.

As evidence of the congressional rate-fixing policy, the historical relationship among the various classes of mail is shown in the table which follows.

PERCENTAGE OF POSTAL COST COVERED BY REVENUE, 1926-66¹

Year	First class	Air mail ²	Air parcel post	Second class	Third class	Controlled circulation	Fourth class	
							Books	Library material
1926.....	129.8	-----	-----	29.2	97.5	-----	-----	-----
1930.....	129.0	34.9	-----	25.5	74.1	-----	-----	-----
1935.....	150.1	52.4	-----	18.8	72.2	-----	-----	38.1
1940.....	154.4	67.2	-----	22.6	74.1	-----	25.3	41.0
1945.....	164.6	163.8	-----	20.1	76.8	-----	77.1	65.6
1950.....	111.4	67.9	47.5	18.6	52.7	-----	71.5	34.4
1955.....	106.9	119.2	160.8	22.0	61.0	77.7	59.8	29.0
1958.....	88.9	107.8	166.5	18.7	47.1	69.3	54.9	25.5
1959.....	110.4	116.7	161.9	18.5	57.6	69.3	60.1	24.0
1960.....	108.2	114.5	160.4	19.7	62.1	72.7	59.5	21.4
1961.....	100.7	113.2	165.8	20.1	63.2	64.1	53.2	18.8
1962.....	100.6	113.5	165.6	20.7	64.8	62.5	52.2	19.1
1963.....	107.9	116.6	168.5	21.6	64.5	62.2	51.4	19.3
1964.....	116.3	119.2	165.3	22.6	68.1	60.0	51.5	18.2
1965.....	111.6	122.9	168.0	23.9	65.1	61.3	48.6	17.4
1966 (adj.).....	103.0	121.3	174.5	23.3	62.9	57.9	44.5	15.8
H.R. 7977 as introduced.....	123.3	128.1	159.5	28.4	80.3	73.1	51.9	40.7
Reported bill.....	123.3	138.9	162.4	29.0	82.4	73.1	51.9	40.7

¹ Does not include public service allowance.

² Includes air parcel post beginning in 1949.

NONMACHINABLE MAIL

The provisions recommended by the Postmaster General and included in H.R. 7977, defining "nonmachinable mail" and the provisions imposing a surcharge on such mail, all have been eliminated from the bill as reported.

The Postmaster General recommended provisions (section 4, 9(c), and 9(d), of H.R. 7977) which defined such size mail to mean mail which has size dimensions greater than 5¾ inches wide or 11½ inches long, nonuniform thickness or thickness which exceeds one-quarter inch, and ratio of width to length of less than 1 to 1.414. Extra charges were recommended on nonmachinable first-class mail and nonmachinable airmail weighing not more than 2 ounces; on nonmachinable size matter weighing not more than 4 ounces mailed at the third-class single piece rate; on nonmachinable size merchandise samples; and on all nonmachinable size pieces subject to the third-class bulk minimum piece rates.

The committee did not have an opportunity to examine these provisions in depth or to take extensive testimony from the Department in justification of the recommendation. The Department witnesses stated that the purpose of the standards of nonmachinability and the surcharges was not to raise additional revenue but to discourage the use of envelopes and other pieces of mail that cannot be readily handled by postal machinery or that create other mail processing or delivery problems.

The witnesses that testified before the Subcommittee on Postal Rates, who had vital interests in these provisions, unanimously recognized and supported the proposition that mechanized mail handling operations will require standardization of sizes of mail, and most witnesses indicated a willingness to pay a fair surcharge to cover the real difference in cost between machine and hand operations.

The recommendation seeks to resolve a question of machinability through the device of increasing postal rates, but cost figures to justify those rates are not available, nor was convincing testimony presented

as to the machinability or the nonmachinability of any particular size of mail. Moreover, the committee was not advised of any justification for applying the "machinability" standards to third-class mail which, in most instances, is not processed by machinery.

Several witnesses presented evidence which raised grave doubts as to whether the sizes recommended can be justified.

The subcommittee developed, considered, but delayed for further study, provisions which would have defined "standard-size mail."

It was the unanimous view of the Subcommittee on Postal Rates which was agreed to by the full committee, that the provision, recommended by the Postmaster General should be eliminated from this legislation.

The committee is convinced that a careful and complete study should be undertaken before dimensional characteristics of mail are prescribed, either by law or by regulation, or before surcharges are imposed for mail not within such characteristics.

The committee wishes to emphasize that it has long recognized the need for standardization of mail. The problems concerning standardized mail were a subject of considerable concern to the committee in connection with the review by the committee of the postal systems of certain European countries (H. Rept. 1226, 89th Cong.).

As early as 1948, Public Law 900, 80th Congress, prescribed a penalty rate for odd-sized third-class mail. The Postal Rate Act of 1958 (Public Law 85-426), enacted May 27, 1958, increased the rate for the odd-size category third-class mail from 3 to 6 cents per piece. Also, section 210 of the 1958 act required the Postmaster General to conduct a thorough investigation and study of the feasibility of establishing by regulations of the Postmaster General standard sizes for first- and third-class mail, and additional charges for mail not within those standards.

The increase from 3 to 6 cents was due to take effect August 1, 1958. However, Public Law 85-893 postponed the effective date until May 1, 1959, because of a serious problem which arose with regard to the catalog mailings by seed and nursery companies. Public Law 86-56 revised the minimum per piece charge from 6 to 3½ cents, because mailers of odd-sized pieces weighing not more than 1 ounce began to mail their pieces at the lower 4-cent rate for first class. The 3½-cent penalty rate continued until 1962, when it was eliminated by the Postal Rate Act of 1962 (Public Law 87-793).

The Postmaster General's report required by the 1958 act was submitted on March 11, 1959, and includes the following recommendations:

(b) *With respect to machinability.*—Since the Department's objective is to develop machines with which to handle larger volumes of future mail and since it is essential that mail of the future conform to machine use, the Department will recommend to the Congress at its session beginning in 1961 that a differential in rates be established which will give preference to mail which the Department, by administrative action, shall have declared machinable.

Mail not conforming to machinable categories would take higher rates since the time and labor cost of handling, sorting, canceling, etc., will justify such higher rates.

Our recommendations concerning these rates must await another year's experience in the use of machine versus hand methods and upon a more widespread use of machines in post offices. By presenting recommendations to the Congress in 1961 and by giving several years' advance notice of regulations of mail size and other characteristics to be effective July 1, 1961, a suitable period for public consideration and for adjustment of inventories, production, and other market operations will be provided.

Legislation

The Department, by administrative action, can adopt regulations establishing categories of nonmailability and of machinable versus nonmachinable mail. Rate differentials applying to machinable and to nonmachinable mail will require legislation which will be recommended at the appropriate time.

In accordance with our assurances to you when these matters were first taken under advisement a year ago, we wish to point out that no action will be taken on these decisions until you have had an opportunity to study this letter and at that time we will be happy to discuss the matter with you at your convenience.

With this background in mind, it becomes readily apparent that the problem relating to the dimensional characteristics of mail has been batted back and forth for over 20 years, and the time is long since past when it must be resolved by the Congress and the Post Office Department. The committee intends to conduct a thorough study of this problem at the earliest practicable time.

JUSTIFICATION FOR POSTAGE REVISIONS

FINANCIAL SUMMARY

The Post Office Department's net operating loss in fiscal 1967 was \$1,148 million, up from \$942 million in fiscal year 1966. These amounts must be financed from general funds of the Treasury.

Of the total 1967 deficit, \$557 million was estimated as public service costs. These costs, enumerated in the Postal Policy Act (39 U.S.C. 2303), are associated with services performed by the Post Office Department to benefit the Nation as a whole rather than any one mail user group. The difference between public service costs and the Treasury financing—\$591 million—is termed the postal deficiency.

The Department's "Survey of Postal Rates," submitted to the Congress on April 15, 1966, (H. Doc. 420, 89th Cong.) anticipated a postal deficiency of \$187 million. The much higher deficiency estimated at this time is largely the result of the following developments:

1. Higher postal salaries and fringe benefits approved in July 1966 (Public Law 89-504).
2. Higher operating costs imposed by the terms of Public Law 89-301, which greatly reduced flexibility in scheduling personnel and caused high turnover with attendant costs of recruiting, training, and loss of efficiency.

- 3. Delay in enacting parcel post rate and size-weight increases (Public Law 89-593). These were expected to net \$107 million in fiscal 1967. Instead, the gain will be about \$31 million.
- 4. Unanticipated volume increases. While volume increased in all major classes of mail, impact on postal finances was particularly severe in rate-deficient services. On top of a 5.2-percent increase in all mail in fiscal 1966, an increase of about 4.5 percent is now expected for fiscal 1967.

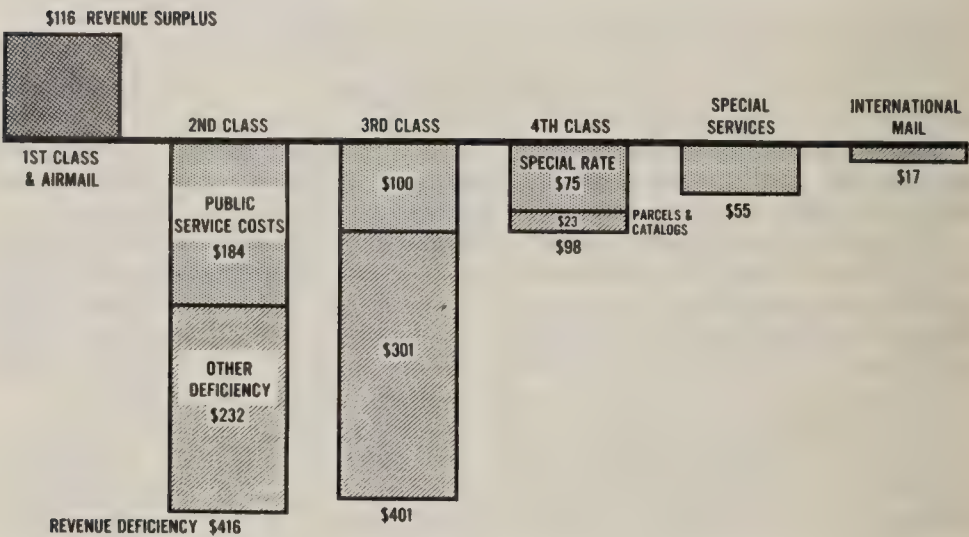
The postal deficiency

The following analysis of the postal revenue deficiency is based on estimates of costs and revenues for fiscal 1967 experience. On that basis, the key figures are:

	Millions
Treasury financing-----	\$1, 148
Less public service costs-----	557
Postal deficiency-----	591

Revenues from second- and third-class mails are far below allocated costs. Moreover, while revenues from first-class mail currently exceed costs, a 3-year downtrend in cost coverage has narrowed the surplus from that service to a level that is incompatible with Postal Policy Act guidelines. These require first-class revenues to cover costs plus "an additional amount" for the value of preferential service.

Pinpointing the Postal Deficit
(\$ MILLIONS)



Comparing revenues and fully allocated costs, for fiscal year 1966, before and after crediting public services, the principal cost-revenue relationships are as follows:

[Dollar amounts in millions]

Service	Revenues	Costs	Revenue deficiency or surplus	Cost coverage (percent)	
				Before public services	After public services
First class.....	\$2,333.9	\$2,266.2	+\$67.7	103.0	(1)
Airmail.....	277.0	228.4	+48.6	121.3	(1)
Second class.....	126.3	542.5	-416.2	23.3	35.2
Controlled circulation.....	18.9	32.7	-13.8	57.9	(1)
Third class.....	681.6	1,082.8	-401.2	62.9	69.3
Fourth class.....	870.8	968.6	-97.8	89.9	97.5
International.....	157.9	174.5	-16.7	90.4	90.6
Special services.....	278.3	333.2	-55.0	83.5	100.0

¹ Not applicable.

While first class and airmail have a combined surplus of \$116.3 million, cost coverage is at its lowest level since 1962, just slightly above the breakeven point.

The favorable 121-percent cost coverage for airmail is mainly the result of a 175-percent cost coverage for air parcel post. Stripping out that service leaves a cost coverage on other airmail of only 105 percent.

Second- and third-class mail have revenue deficiencies of \$416.2 million and \$401.2 million, respectively, including losses offset by public service allowances. Thus, these services account for about 80 percent of the total adjusted deficit figure of \$1,009.7 million. Reflecting these sizable deficiencies, second class has a cost coverage of only 23.3 percent before public service costs. Third-class cost coverage is 62.9 percent.

The fourth-class deficiency of \$97.8 million is attributable largely to special rates for parcels of books and recordings. After anticipating the full effects of Public Law 89-593, enacted September 20, 1966, the deficiency for zone-rate fourth-class mail (parcels and catalogs) is down to \$22.6 million, from \$107.1 million a year ago.

The deficiency reported for special services, \$55 million, is identified as a public service charge.

International mail recorded a deficit of over \$16 million in fiscal 1966 and prompted the Department to seek rate revisions in surface and airmail rates through administrative procedure. These were effective on May 1, 1967, except for publications mailed to Canada. For such publications, increases will be phased in two steps: On November 1, 1967, and November 1, 1968.

Public service costs

On a fiscal 1966 adjusted basis, \$547 million—about 54 percent of the entire postal deficit—is identified as public service cost in accordance with the provisions of the Postal Policy Act.

In the Postal Policy Act of 1958, as amended in 1962, Public Law 87-793, the Congress directed that revenues must be kept in line with the total allocated cost of operating the postal establishment less the amount deemed to be attributable to the performance of public services.

A breakdown of fiscal 1966 (adjusted) public service costs, shown in the table below, indicates that free or reduced-rate postage accounts for about 66 percent of total public service costs. Operating costs for third-class offices and star routes, fourth-class post offices and rural routes account for just over 19 percent. The balance is attributable to losses incurred in performing special services, nonpostal services, and to the premium cost of employing foreign-flag air carriers.

	Amount (millions)	Percent
1. Total loss resulting from the transmission of matter in the mails free of postage or at reduced rates of postage.....	\$361.8	66.1
2. 10 percent of the gross cost of the operation of 3d-class post offices and the star route system, and 20 percent of the gross cost of the operation of 4th-class post offices and rural routes.....	105.5	19.3
3. Loss incurred in performing nonpostal services.....	24.5	4.5
4. Loss incurred in performing special services.....	55.0	10.1
5. Additional cost of transporting U.S. mail by foreign air carriers at a Universal Postal Union rate in excess of the rate prescribed for U.S. carriers.....	.3	(¹)
Total.....	547.1	100.0

¹ Less than 0.1 percent.

MAIL MATTER—FREE OF POSTAGE OR AT REDUCED RATES

[1966 adjusted basis, in thousands of dollars]

	Revenues	Costs	Public services
2d-class mail:			
In-county.....	10,148	77,368	—67,220
Nonprofit publications.....	8,305	118,248	—109,943
Classroom publications.....	1,469	8,045	—6,576
Total second class.....	19,922	203,661	—183,739
3d-class mail:			
Bulk-rate nonprofit.....	36,881	136,394	—99,513
4th-class mail:			
Special-rate 4th-class.....	55,369	130,574	—75,205
Diplomatic mail.....		401	—401
Free for the blind.....		2,943	—2,943
Total.....	112,172	473,973	—361,801

NONPOSTAL SERVICES FOR OTHER AGENCIES

[1966 adjusted basis, in thousands of dollars]

	Revenues	Costs	Public services
FCC health service.....	5	5	—
Alien address reporting.....	280	292	—12
U.S. savings bonds and stamps, public sales.....	709	703	+6
Civil Service ¹		5,786	—5,786
Documentary stamps.....		391	—391
Migratory bird stamps.....	119	167	—48
Official mail messenger service.....		408	—408
Building services for other agencies.....	764	17,580	—16,816
Transportation of military mails.....	79,855	79,855	—
Miscellaneous items, other agencies.....	132	1,192	—1,060
Total.....	81,864	106,379	—24,515

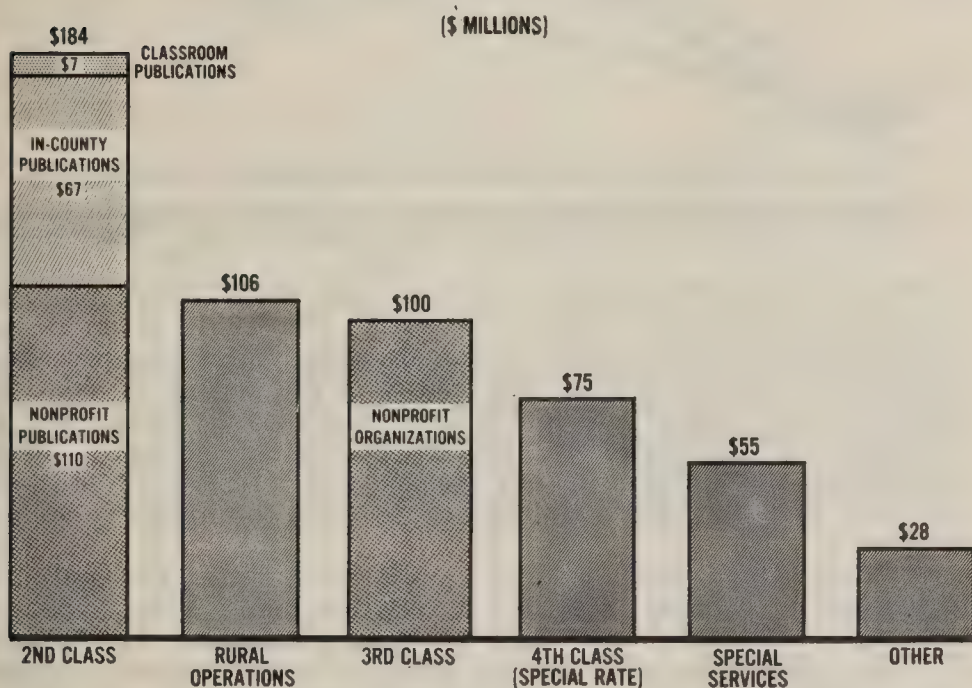
¹ Does not include functions related to the postal service performed for the Civil Service Commission, estimated at $\frac{1}{3}$ of total costs.

SPECIAL SERVICES

[1966 adjusted basis, in thousands of dollars]

	Revenues	Costs	Public services
Registry.....	36,002	51,994	-15,992
Certified.....	15,263	16,609	-1,346
Insurance.....	46,495	39,556	+6,939
Collection-delivery.....	15,014	27,956	-12,942
Special delivery.....	35,805	69,038	-33,233
Money orders.....	68,860	71,975	-3,115
Postal savings.....	4,527	2,829	+1,698
Stamped envelopes.....	20,340	20,707	-367
Box rents.....	35,960	32,555	+3,405
Total.....	278,263	333,219	-54,955

Public Service Costs



Estimated current basis

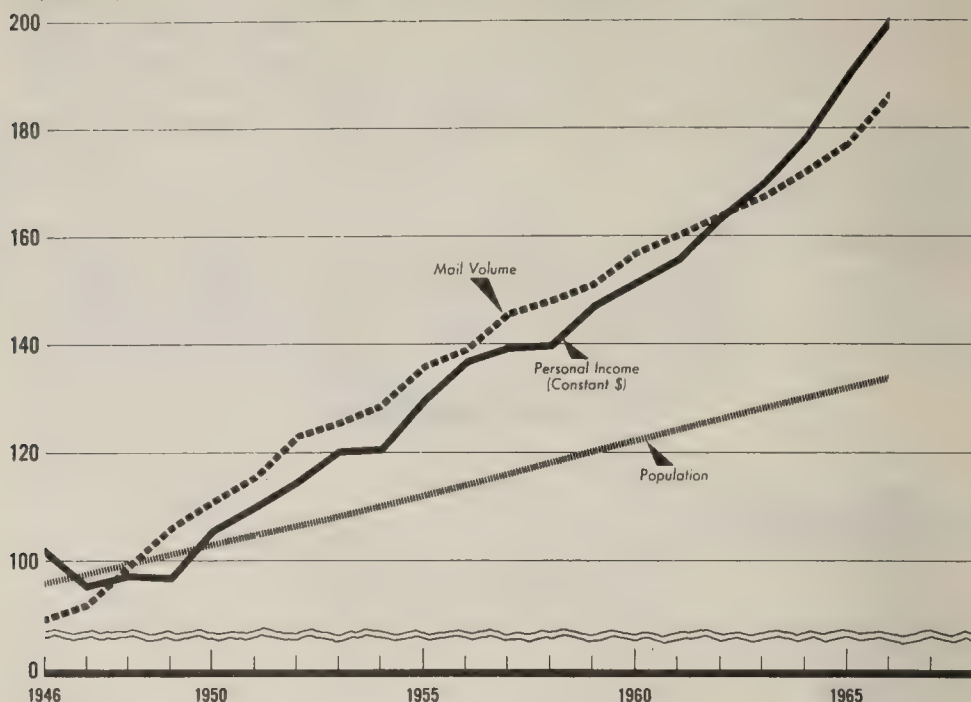
Mail volume

Mail volume increased 5.2 percent in fiscal 1966, reaching a level of 75.6 billion pieces. A further substantial rise to about 79 billion pieces is expected in fiscal 1967.

In the 20 years since 1946, mail volume increased some 40 billion pieces, more than in all the preceding years since establishment of the postal service. This unusual rise in mail volume was reflected in a significant per capita increase in the mails. In 1946 an average of 258 pieces of mail was dispatched for each person in the United States; by 1966 that count had risen to 386, an increase of about 50 percent.

MAIL VOLUME, PERSONAL INCOME, POPULATION

Index (1946-50 = 100)

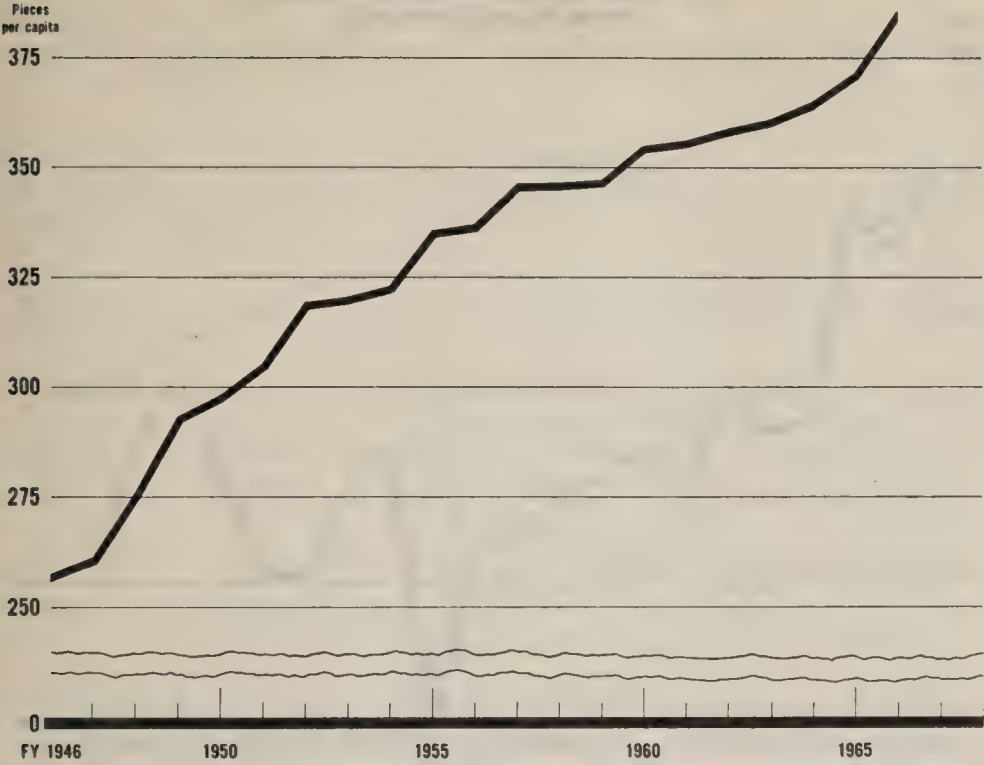


Not all mail volumes have changed uniformly. Parcel post, for example, experienced a sharp downtrend after 1951. Congressional limitations on size and weight of parcels, higher rates, and diversions to private carriers were the main causes of the decline. In contrast, the volume of special rate fourth-class mail—mainly books and recordings—has risen sharply. Preferential rates, increased college attendance, the affluence of our society, and intensive promotional efforts of book and record clubs all contributed to impressive volume gains.

Third-class mail, which is largely advertising matter, has continued to increase at a faster rate than most other mails. From 1953, the total volume of third-class mail has risen 69 percent. In contrast, all other mails increased only 42 percent. These disparate changes had a marked effect on the mix of mails during that period. Third-class mail accounted for 23.6 percent of all volume in 1953; but in 1966 it had risen to 26.9 percent of the total.

Divergent rates of growth in the various classes of mail and the consequent shifts in mail mix had a significant impact on the Department's mounting level of deficit financing. The fastest growth took place in the rate categories, in each class, having the lowest revenue-cost relationships.

MAIL VOLUME PER CAPITA

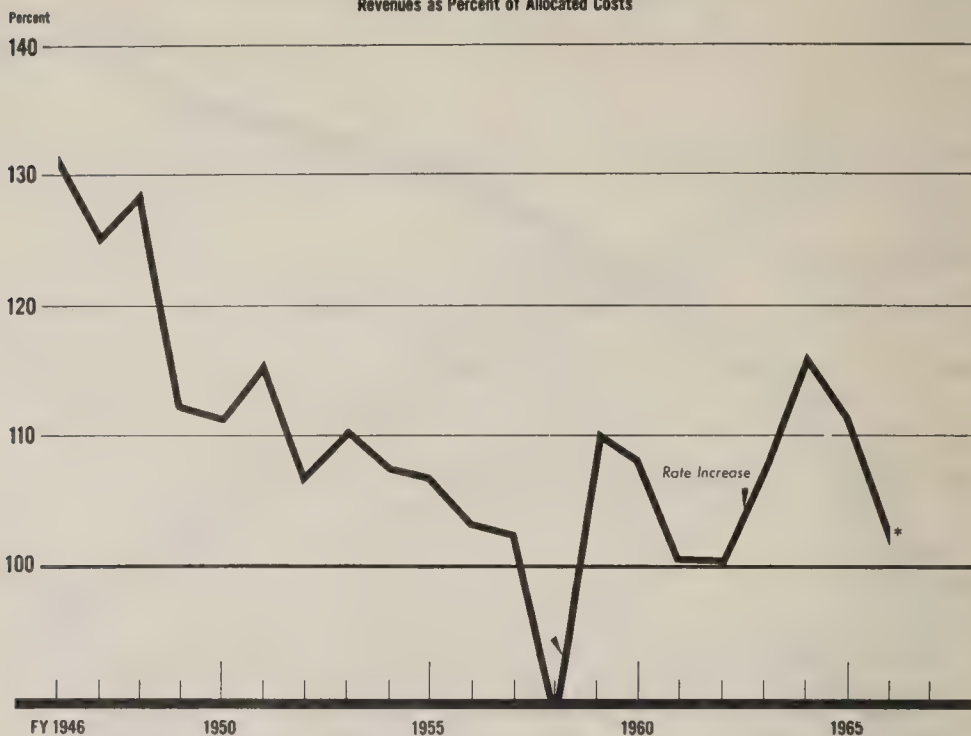


FIRST CLASS AND AIRMAIL

Following the rate increase of January 1963 (Public Law 87-793), the revenue surplus from first-class mail dropped from \$295 million in fiscal 1964 to \$68 million on a 1966 adjusted basis. Concurrently, cost coverage dropped from 116 percent to 103 percent. This decline in revenue surplus reflected rising costs, largely the result of three increases in salary and fringe benefits for postal employees.

COST COVERAGE ON FIRST CLASS MAIL

Revenues as Percent of Allocated Costs



* 1966 Adjusted for known cost and revenue changes

The Postal Policy Act guideline for first-class mail requires that postage cover costs plus "an additional amount" to reflect the value of preferential service. Clearly, the 3-percent revenue surplus fails to meet that standard. Moreover, that modest surplus is earned mainly on heavier pieces and the 5-cent rate fails to cover costs on most 1-ounce letters. It is conceivable, recognizing cost-increase trends, that cost coverage in the next several years would fall below 100 percent, as it did in 1958.

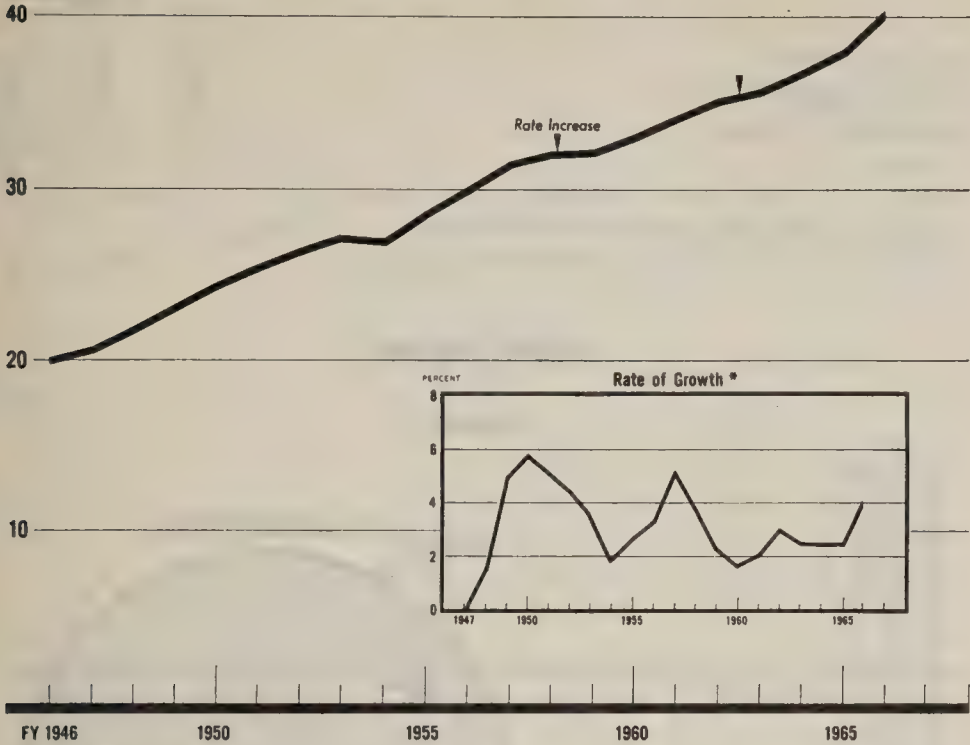
Annual volume growth between fiscal 1958 and 1965 ranged between 0.2 percent and 3.2 percent. In 1966, however, volume surged upward more than 6 percent, reaching a high of 40.4 billion pieces. A further substantial increase is now evident for fiscal year 1967.

In airmail, the excess of revenues over costs increased \$12 million last year, raising the 1966 (adjusted) surplus to \$48.6 million. This was mainly attributable to a \$39 million surplus for air parcel post.

Cost coverage for all airmail is currently 121 percent. But after excluding the highly profitable air parcel post service, cost coverage on all other airmail is only 105 percent. In these circumstances revenues from most 1-ounce airmail letters are insufficient to cover their fully allocated costs.

FIRST CLASS MAIL VOLUME

(Billions of Pieces)



* 3-year moving average, advanced one year

SECOND-CLASS MAIL

The revenue deficiency for second-class mail in fiscal 1966 is over \$416 million on an adjusted basis, before public service allowances are subtracted from costs. This record deficiency is reflected in a cost coverage of less than 24 percent for the entire class, the lowest among all major mail classes.

Adjusted postal revenues from second-class mail are \$126 million. In contrast, transportation costs alone are \$58 million, leaving only \$68 million to meet additional expenses of \$485 million for mail handling, carrier deliveries, and other expenses.

Although rate increases since 1951 have been fairly steep, percentagewise, they have not been large enough to offset the rise in costs. When cost coverage is greatly deficient—as it is in second class—cost increases must be met by much sharper percentage increases in rates, just to avoid losing ground financially.

Full recovery of costs is not a congressional objective in second-class mail. In this instance, the Postal Policy Act continues the long-standing practice of differential pricing among the several classes of mail. Rates in each class of mail are expected to range above and below costs in accordance with value of service. In addition to priority of service and the intrinsic value of the mail, the Congress has given great weight to the contribution of each mail class to the social and economic betterment of the Nation. In formulating its proposed rate revisions, the committee has given full recognition to this concept.

The deficits for the five separate rate categories closely relate to their respective volumes, as indicated below:

	Deficiency ¹ (millions)	Percent of total deficiency	Percent of pieces
Regular-rate publications.....	\$236.3	56.2	54.8
In-county mail.....	² 67.2	16.0	16.9
Publications of nonprofit organizations.....	² 109.9	26.1	26.6
Classroom publications.....	² 6.6	1.6	1.3
Transient matter.....	.4	.1	.4
Total.....	³ 416.2	100.0	100.0

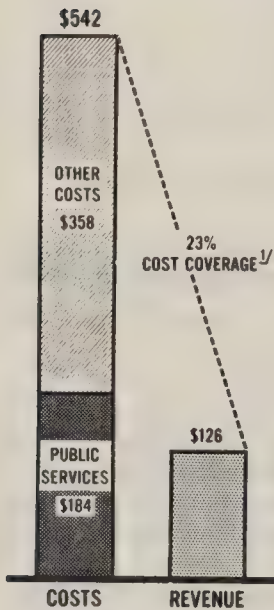
¹ Adjusted for full-year effect of known cost and revenue changes.

² Before public service credits.

³ Includes \$4,300,000 of revenue credits not distributed to rate categories.

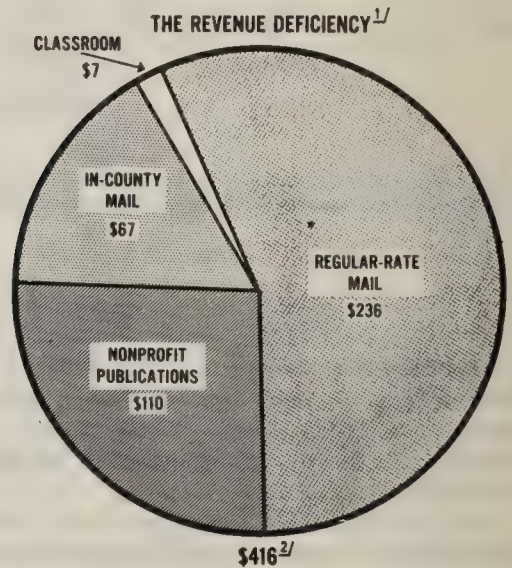
Second Class Mail

(\$ MILLIONS)



^{1/} Before public service credits

^{2/} Includes \$4 million of revenue credits



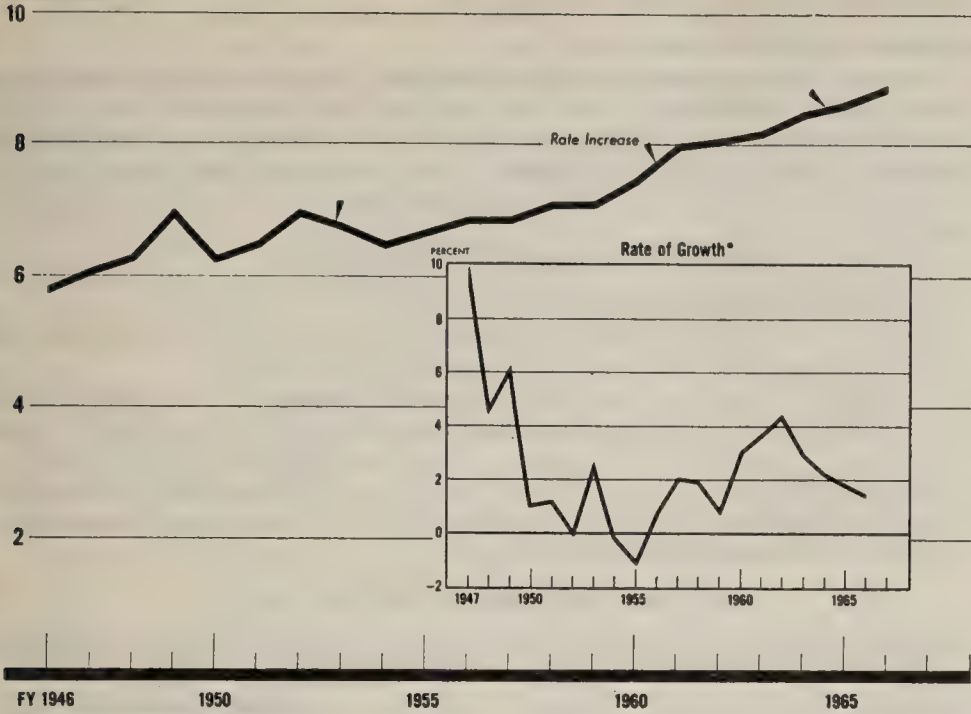
Estimated current basis

Growth of second-class mail

While the rate of volume growth trended downward from 1947 to 1955, there has been a reversal in the last decade. Volume growth has been generally upward since 1955. Many factors contributed to that uptrend, including higher disposable personal income, more families, more leisure time, and increased school and college enrollment. But the upward trend was also the result of greater emphasis by publishers on magazine subscriptions rather than newsstand sales. This was reflected in promotional pricing efforts aimed at expanding advertising revenues through greater subscription circulation.

SECOND CLASS MAIL VOLUME

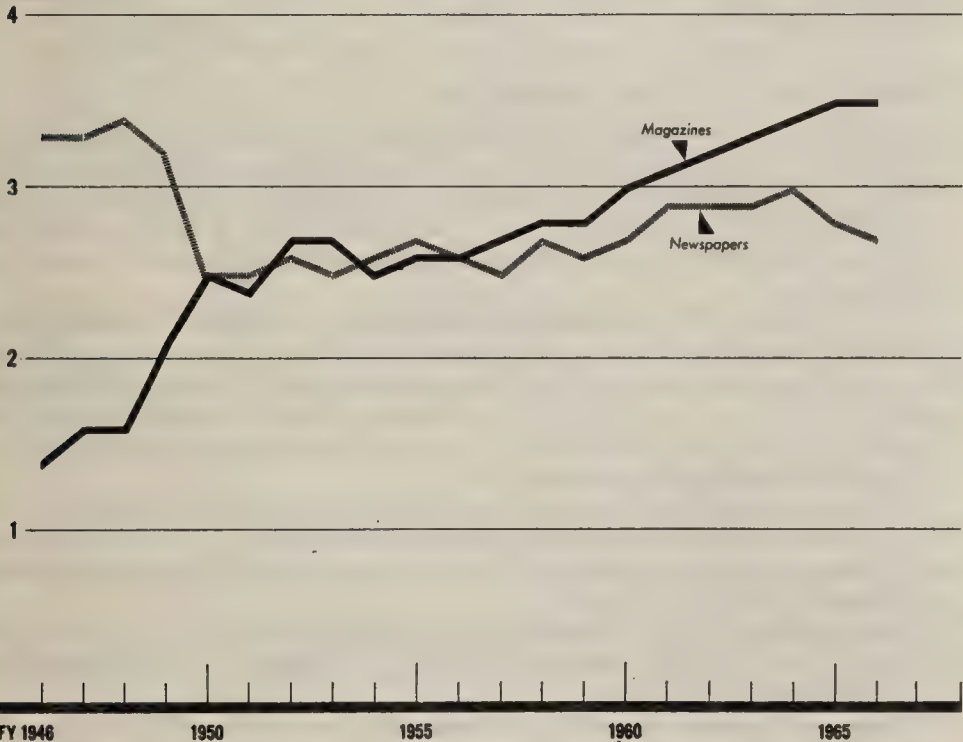
BILLIONS OF PIECES



* 3-year moving average, advanced one year

MAGAZINE AND NEWSPAPER VOLUME *

BILLIONS OF PIECES



* Excludes classroom and nonprofit publications

As the accompanying chart shows, there has been a shift in second-class mail mix over the past 20 years. The major share is now in magazines rather than in newspapers.

Regular-rate publications

In order of magnitude, the largest share of the second-class deficiency stems from publishers' zone-rate mailings of "outside the county" matter. Cost coverage is higher than for second class as a whole: 29.3 percent versus 23.3 percent, before public service credits. But, because 55 percent of the second-class mail volume is in this rate category, it also accounts for most of the second-class revenue deficiency. On a 1966 adjusted basis, the deficiency attributable to publications in this classification is \$236 million.

Faced with this peak revenue gap, the committee is proposing rate increases based on costs, value of service, and equity.

In regard to value of service, it should be noted that a substantial part of this mail receives expedited handling. All newspapers—representing 38 percent of regular rate second-class pieces—receive expedited handling. In addition, news magazines and other time-value publications receive the equivalent of "newspaper treatment," without paying any additional charge.

2d-class mail: Regular-rate publications

[Definitions: All except reduced-rate publications mailed for delivery outside counties of publication. Major users: Mainly mass circulation magazines and business publications. Some hometown papers.]

Costs.....	millions of dollars..	334. 1
Revenues.....	do.....	97. 7
Average cost per piece.....	cents.....	7. 1
Average revenue per piece.....	do.....	2. 1
Average weight per piece.....	ounces.....	7. 7
Average nonlocal haul.....	miles.....	358
Advertising content.....	percent.....	51
Annual volume.....	billion pieces.....	4. 7

Publications of nonprofit organizations

Second-class mailings in this category include publications of religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal organizations. To this list, legislation enacted in 1962 added the publications of associations of REA cooperatives and one publication by the official highway or development agency of any State.

During fiscal 1966, mailings by authorized nonprofit organizations, including their in-county copies, were 2.3 billion pieces and accounted for more than 26 percent of all second-class mail. These mailings also accounted for over a fourth of the second-class mail deficiency. The "total loss" incurred in handling these publications—\$110 million—is earmarked as a public service cost.

Volume growth has been particularly rapid in recent years. In the last 7 years, 1959 to 1966, mail pieces increased from 1.5 to 2.3 billion, a 53-percent gain compared with 14 percent for all other second-class mail during the same period.

Cost coverage is the lowest among all mail categories. In the past 10 years it has ranged between 7.0 and 8.7 percent. It is currently at the lower end of that range.

There are some 10,000 publications that are authorized to be mailed at the special rates for nonprofit organizations. But among

these, some 200 account for nearly 60 percent of copies mailed and almost 70 percent of their weight.

Partly because postage is unrelated to distance, nonlocal copies of these publications are hauled an average of 838 miles compared with only 358 miles for regular rate, second-class mail. Also, many of the nonprofit publications carry substantial amounts of advertising, resulting in an unfavorable advantage over taxpaying commercial publishers because of the competition from a source that is subsidized through reduced postage and tax preferences.

2d-class mail: Nonprofit publications

[Definition: Publications of religious, educational, scientific, philanthropic, agricultural, labor, veterans, fraternal organizations, and REA cooperatives. Major users: Churches, schools, labor unions, fraternal orders, scientific societies, veterans' organizations, Scouts.]

Costs	million	¹ \$118.2
Revenues	do	\$8.3
Average cost per piece	cents	¹ 5.1
Average revenue per piece	do	.4
Average weight per piece	ounces	2.8
Average nonlocal haul	miles	838
Annual volume	billion pieces	² 2.3

¹ Before public service credits.

² Including copies of nonprofit publications mailed at "in-county" rates.

Within-county mail

On a current basis, fully allocated costs exceed revenues by about \$67 million yearly and the full amount of that deficit is added to public service costs. This represents the third largest share of the second-class deficiency. Before reflecting these public service costs, revenues are equal to about 13 percent of fully allocated costs.

There were roughly 1.5 billion pieces of "within-county" matter mailed in fiscal 1966, or 15 percent of all second-class mail. (These excluded mailings of nonprofit and classroom publications.)

This mail has continued to grow over the long run even though population has been shifting steadily from rural to urban areas. With a burgeoning suburban population, demand for community newspapers has now increased to a point where there is a substantial increase in paid circulation, mostly in the areas around metropolitan cities.

2d class: In-county mail

[Definition: All publications delivered to subscribers in home counties. Major users: Hometown newspapers in rural areas.]

Costs	million	¹ \$77.4
Revenues	do	\$10.1
Average cost per piece	cents	¹ 5.3
Average revenue per piece	do	.7
Average weight per piece	ounces	5.1
Annual volume	billion pieces	² 1.5

¹ Before public service credits.

² Not including copies of nonprofit and classroom publications delivered within counties of publication.

These trends point up how in-county rates are being turned to different ends than Congress envisioned more than a century ago when in-county rates were first established. While these rates were intended to help the rural press, volume growth is taking place largely around metropolitan areas.

Classroom publications

The adjusted fiscal 1966 revenue deficiency in this rate category amounts to \$6.6 million and the entire amount is credited to public service. Cost coverage is about 18 percent before public service allowances.

These include about 140 classroom publications covering religious, educational, and scientific magazines and pamphlets. They amount to about 1 percent of second-class volume in pieces and weight.

Transient matter

The fifth and smallest category of second-class mail consists of "transient" matter—generally publications not entitled to publishers' bulk rates. These publications have been charged higher rates of postage than other second-class matter.

In fiscal 1966, transient matter produced adjusted revenues of \$4.4 million and adjusted costs of \$4.8 million resulting in a cost coverage of over 92 percent. The deficit portion is not credited to public service.

CONTROLLED CIRCULATION PUBLICATIONS

On a 1966-adjusted basis, these publications account for nearly \$19 million in revenues and nearly \$33 million in costs, resulting in a deficiency of about \$14 million.

These are publications which do not qualify for second class because, for the most part, addressees do not pay a subscription price. Publishers build circulation by distributing copies, without subscription charge, to selected readers. They rely on advertising as their principal revenue source. Circulation is usually "controlled" and subject to independent audit so that advertisers have some guarantee of readership volume.

Historically, the controlled circulation group has included mainly trade, technical, and industrial publications. More recently, a substantial number of shopper-guide publications have joined the group.

A controlled-circulation rate category was first set up in 1935 as an extension of third class, which then had an 8-ounce limit. The creation of this new category permitted heavier trade publications to break away from parcel post. Initially, controlled-circulation rates were closely related to third-class rates. But, over the years, the minimum rate for controlled-circulation mail has held at 1 cent while the third-class minimum has increased to 2½ cents.

Prior to the enactment of the 1962 rate law, the Department urged adoption of a minimum rate for controlled circulation to match the minimum for bulk third class. The Congress rejected that proposal and the minimum rate for controlled-circulation publications remains at 1 cent.

The Post Office Department has stressed that shopper guides and other lightweight publications had found the controlled-circulation classification a profitable escape from the higher third-class minimum rates. The recent increase in third class furnished an even greater incentive for that diversion.

Publications formerly mailed as third class were able to shift to controlled circulation when they met the following major requirements:

1. Issued regularly, at least four times yearly.
2. Contained at least 25 percent nonadvertising.
3. Contained 24 or more pages.

Very frequently the 24-page requirement could be met, not by adding to content of publications, but simply by transforming format into more pages of smaller size.

As evidence of the major shifts that are taking place, apparently due to rate anomalies, the volume of controlled circulation pieces increased about 110 percent in 4 years, since 1962. Currently volume is close to 350 million pieces annually.

When evidence of these major shifts became apparent, the Department undertook a series of field surveys in order to get a clearer picture of where the volume increases were centered.

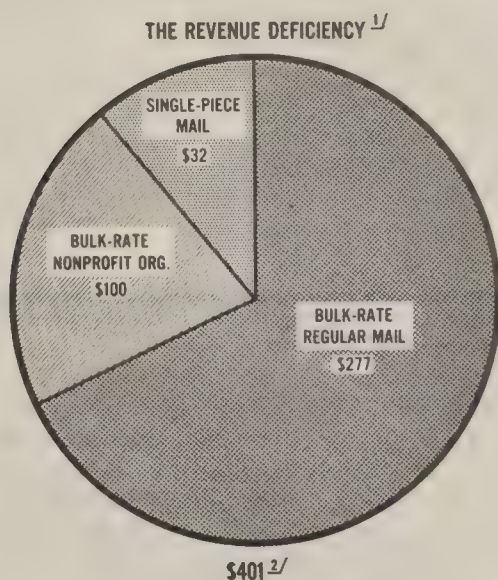
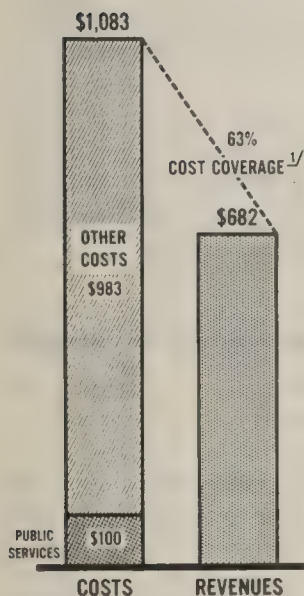
A study conducted by the Department in 1966 indicated there were 882 different publications identified with the controlled-circulation classification. Similar studies in earlier years indicated there were about 700 publications employing that mail service in 1964 and only 600 in 1961. Significantly, the increases in recent years occurred despite the demise of a very substantial number of publications that appeared in the first and second studies.

THIRD-CLASS MAIL

After giving full effect to the latest cost increases, the revenue deficiency in the third-class mail service is over \$401 million. Cost coverage is 63 percent, before public service credits. Excluding mailings by authorized nonprofit organizations, cost coverage for "regular" third-class mail is 67 percent.

Third Class Mail

(\$ MILLIONS)



^{1/} Before public service credits

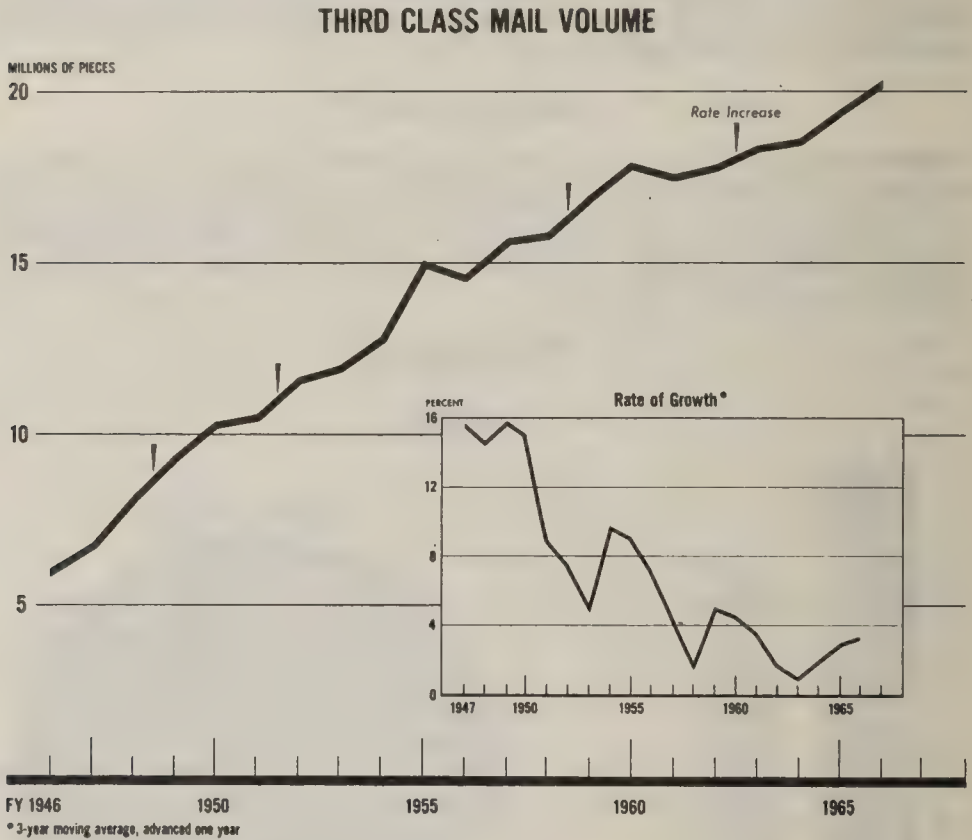
^{2/} Includes \$8 million of revenue credits.

Estimated current basis

In 1958, cost coverage for third class was only 47 percent. But there has been a significant upward trend since then, aided by an increase from 1½ cents to 2⅞ cents in the minimum rate. Nevertheless, owing to volume increases, the current revenue deficiency for third-class mail is at a record high.

Third-class mail volume

Among the major classes of mail, volume growth in third class has led all others. For example, in the period from 1953 to 1966, third-class volume rose 69 percent, compared with a 42-percent increase for all other mails combined. As a result, third class now accounts for about 27 percent of total volume in contrast with nearly 24 percent in the earlier year. While growth has been steep, there has been a marked slowing of the uptrend in recent years.



Bulk-rate regular mail

Mailings in this rate category are largely advertising circulars. But they also include mailings of newsletters, shopper guides, booklets, small catalogs, merchandise samples, seeds, coupons, and other matter weighing less than 1 pound per piece.

The volume of these mailings has increased 56 percent between 1953 and 1966 and totaled over 14 billion pieces in the latter year. Of that number, 90 percent were mailed at minimum-per-piece rates.

On a fiscal 1966 adjusted basis, the revenue deficiency recorded for these mailings—at minimum-per-piece and bulk-pound rates is \$277 million. Cost coverage is 61 percent.

3d class: Bulk-rate regular mail

[Definition: Quantity mailings of circulars, newsletters, shopper guides, booklets, small catalogs, seeds, merchandise samples, coupons, and other matter weighing less than 1 pound per piece. Major users: Advertisers, seed and plant wholesalers, State and local governments. Largely a mass-advertising medium. But many small business firms use direct mail as their only economical advertising medium.]

Costs.....	million..	\$713. 3
Revenues.....	do.....	\$436. 2
Average cost per piece.....	cents.....	5. 1
Average revenue per piece.....	do.....	3. 1
Average weight per piece.....	ounces.....	1. 5
Annual volume.....	billion pieces.....	14. 1
Bulk permit holders.....	estimated.....	169, 000

Bulk-rate nonprofit mail

The revenue deficiency in this mail class, fully covered by public service allowances, is nearly \$100 million annually, on a 1966 adjusted basis. Cost coverage is about 27 percent.

Eligible mailers number about 82,000 in eight different organizational categories. In 1966, these nonprofit organizations mailed about 2.9 billion pieces, largely at the minimum rate of 1½ cents per piece, the same rate that has been in effect for such mailings since July 1, 1960. For heavier pieces, pound rates are half the rates for comparable mailings at regular bulk rates: 9 cents for circulars and merchandise, and 6 cents for books, catalogs, etc.

Third-class mailings by nonprofit organizations increased nearly 280 percent in the period from 1953 to 1966. In contrast, the volume of other bulk-rate third-class mail rose 56 percent. Mailings by these organizations now account for about 17 percent of all bulk-rate third-class mail compared with only 8 percent 13 years ago.

3d class: Bulk-rate nonprofit mail

[Definition: Quantity mailings for fundraising appeals, Institutional newsletters, reports, booklets, and meeting notices. Major users: Religious, educational, scientific, philanthropic, agricultural, labor, veteran or fraternal organizations or associations not organized for profit.]

Costs.....	million..	¹ \$136. 4
Revenues.....	do.....	\$36. 9
Average cost per piece.....	cents.....	¹ 4. 8
Average revenue per piece.....	do.....	1. 3
Average weight per piece.....	ounces.....	. 7
Annual volume.....	billion pieces.....	2. 9
Bulk permit holders (estimated).....		82, 000

¹ Before public service credits.

Single-piece-rate mail

Annual volume in this subcategory is 3.3 billion pieces, roughly 16 percent of all third-class pieces.

Present rates, fixed in 1962, are 4 cents for 2 ounces and 2 cents for each additional ounce. Cost coverage is 86.2 percent, leaving an annual adjusted revenue gap of nearly \$32 million.

3d class: Single-piece mail

[Definition: Greeting cards, small parcels, printed matter, booklets, and catalogs. All mail weighing less than 1 pound not included in any other mail class. Major users: Mail order companies for small parcels and single catalog mailings. General public for greeting cards and small parcels.]

Costs.....	million..	\$233. 1
Revenues.....	do.....	\$200. 9
Average cost per piece.....	cents.....	7. 0
Average revenue per piece.....	do.....	6. 0
Average weight per piece.....	ounces.....	1. 7
Annual volume.....	billion pieces.....	3. 3

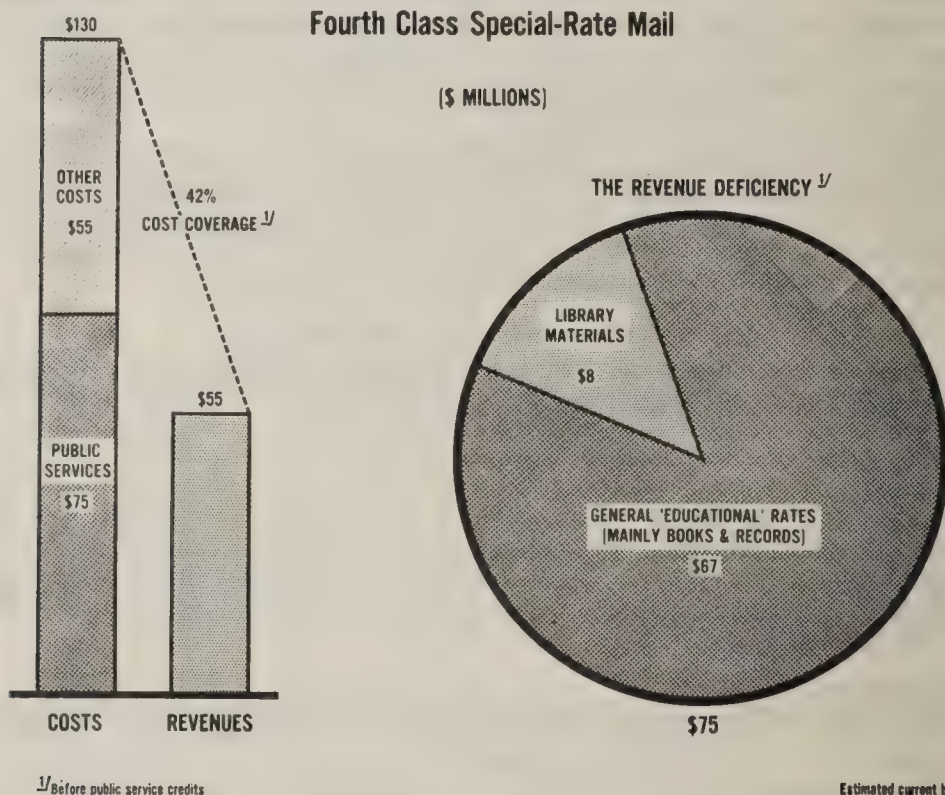
FOURTH-CLASS MAIL

On a fiscal 1966 basis, adjusted for known changes in revenues and costs, fourth-class mail services operate with a deficiency of nearly \$98 million.

Fourth-class special-rate mailings

The largest losses are incurred for handling special-rate materials, consisting mainly of books and recordings. The deficiency here is over \$75 million on a 1966 adjusted basis, the entire amount chargeable to public service costs.

Although volume is still relatively small, it increased some 135 percent after 1958, under the combined impetus of changes in mail classification, growing membership in book and record clubs, the boom in college attendance, and low postage rates. In 1966 mailings at special rates totaled about 219 million pieces: 203 million at the general rate and 16 million at the library rate.



While most mailings are books and recordings, others include manuscripts, academic theses, printed music, periodicals, 16-millimeter films, filmstrips, transparencies, slides, microfilms, scientific kits and catalogs.

The special-rate category was first set up in 1938 by proclamation of the President. At that time it was strictly a "book rate." But nearly every rate bill since 1938 wedged additional items into that once-limited rate category. The biggest change took place in 1958 when recordings were added.

The size of the current revenue deficiency for special-rate parcels may be reason enough to increase their postage. Moreover, these special rates are being used in large measure to subsidize entertainment rather than education.

4th class: Special-rate mail

Definition: Books, sound recordings, manuscripts, academic theses, printed music, periodicals, 16-millimeter films, filmstrips, transparencies, slides, microfilms, scientific or mathematical kits, catalogs, and guides for some of these. Major users: Book publishers, book clubs, record clubs, book dealers, libraries, schools, and other educational institutions.]

Costs.....	¹ \$130.6 million.
Revenues.....	\$55.4 million.
Average cost per piece.....	¹ 59.7 cents.
Average revenue per piece.....	25.3 cents.
Average weight.....	3 pounds, 12 ounces.
Annual volume.....	219 million pieces.

¹ Before public service credits.

EXPLANATION OF TITLE I BY SECTIONS

TITLE I—POSTAL RATES

Section 101. First-class mail

Subsection (a) rewrites sections 4252 and 4253, title 39, United States Code.

Section 4252 provides a maximum size for first-class mail of 100 inches in length and girth combined and a maximum weight of 70 pounds. Existing law prescribes a weight limitation of 70 pounds, but does not provide any maximum limitation on the size. The committee recommends such maximum size and weight limitations to correspond with the maximum size and weight limitations now provided for domestic airmail and air parcel post pursuant to section 4305. This change is recommended because the postage rates for first-class mail weighing more than 13 ounces will be the rates prescribed for air parcel post.

Section 4253 provides a postal rate of 6 cents for each ounce or fraction of an ounce for first-class mail weighing 13 ounces or less and a rate of 5 cents for cards. First-class mail weighing over 13 ounces will have the rates of postage established for air parcel post pursuant to section 4303(d), and shall be entitled to the most expeditious handling and transportation practicable. Thus, the rate for first-class mail weighing 13 ounces at 6 cents per ounce would be 78 cents, and under the parcel post rates such mail weighing not over 16 ounces would be 80 cents. First-class mail weighing in excess of 1 pound would be subject to the same rate system established for air parcel post. The expeditious handling and transportation to be given first-class mail weighing more than 13 ounces normally is expected to be air transportation when such transportation will speed the delivery of the mail. This application reflects the priority mail principle and is a step toward the ultimate goal of establishing a single class of priority mail.

The special rate category for drop letters is eliminated. The postage rates on such matter will be 6 cents per ounce, the same as for other letters.

The rate of postage on business reply mail will continue to be the same as the regular rate plus an additional charge of 2 cents for each piece weighing 2 ounces or less, and 5 cents for each piece weighing more than 2 ounces. There are no changes in these additional charges.

Subsection (b) of section 101 rewrites subparagraphs (A) and (B) of section 4169(a)(1) of title 39, United States Code, relating to free mail for certain members of the U.S. Armed Forces and of friendly foreign nations for letters and sound-recorded communications having the character of personal correspondence.

The existing provisions of subparagraph (A) limit the free mailing privilege to servicemen in an overseas combat area as designated by the President.

Subparagraph (A), as amended by this bill, would extend the free mailing privilege to all servicemen when the letter or sound-recorded communication is mailed at an Armed Forces post office located outside the 48 contiguous States of the United States.

The existing provisions of subparagraph (B) authorize the free mailing privilege for servicemen hospitalized in a facility under the jurisdiction of the Armed Forces, but limit the application to servicemen who are hospitalized as a result of disease or injury incurred as a result of service in an overseas combat area as designated by the President.

Subparagraph (B), as amended by this bill, would extend the free mailing privilege to servicemen hospitalized as a result of disease or injury incurred while on active duty, without regard to where the disease or injury was incurred.

Subsection (c) of section 101 extends the free mailing privileges, in a manner similar to that provided by subsection (b) for a member of the armed forces of a friendly foreign nation serving with the U.S. Armed Forces.

Subsection (d) amends section 4251(a), to include within the definition of first-class mail "bills and statements of account."

Section 4451(b) of title 39, United States Code, now provides that bills and statements of account may be mailed at the lower third-class postage rate if produced by any photographic or mechanical process "other than typewriting," and if 20 or more identical copies are mailed at one time. This provision is repealed by section 107(b) of the bill.

For a number of years, bills and statements of account prepared by computers were considered as being produced by a typewriting process, and, therefore, required to be classified as first-class mail. In 1966, the question arose as to whether matter produced by electronic data processing equipment should be considered as being produced by a typewriting process, and it was concluded that computers produced matter by a mechanical process which more closely resembled printing and that such matter should be considered as having been produced by a mechanical process "other than typewriting." Consequently, as a result of the new interpretation, matter which for years had been classified as first-class mail, now, under existing law, can be mailed at the lower third-class rate. This amendment is intended to require that bills and statements of account, regardless of how produced, shall be mailed as first-class mail.

Concern has been expressed as to the effect the amendment made by section 101(d), requiring "bills and statements of account" to be mailed at first-class postage rates, will have on the provisions of 39 U.S.C. 4365(b), which authorizes publishers and news agents to enclose in their second-class publications "bills, receipts, and orders for subscriptions."

Such enclosures authorized by section 4365(b) are considered a part of the publication for postage purposes and currently are subject to second-class postage rates.

The amendment made by subsection (d) of the bill to section 4251(a) has no effect on such provisions of section 4365(b) insofar as those provisions relate to "orders for subscriptions."

A subscription renewal notice or an order for a subscription ordinarily informs the customer, not of charges incurred as a bill does, but of the expiration of his old subscription and the cost of renewal if the customer should elect to continue the subscription. Such a renewal notice or an order for a subscription is not a bill or statement of account within the meaning of this amendment.

While this amendment by itself has no effect on the postage to be paid for a bill or a receipt enclosed with a second-class publication, section 4656 of title 39, United States Code, as added by section 115 of this bill, will require first-class postage to be paid on a bill or a receipt mailed with a second-class publication.

Also a question has been raised whether the words "bills and statements of account" would be interpreted as including invoices.

Pursuant to section 4555 of title 39, United States Code and predecessor provisions of law authorizing the enclosure in fourth class mail of a description of the article mailed (which also applies to third class under section 4453), the Department has, at least since the 1913 edition of the Postal Laws and Regulations, authorized invoices to be enclosed.

The amendment makes no change with respect to the enclosure of invoices.

Subsection (e) repeals subsection (d) of section 4251, which contains the definition of drop letters, in order to conform with the amendment in subsection (a) which removes the special rate category for drop letters.

Subsection (f) makes the necessary technical adjustments in the table of contents of chapter 59, to conform with the changes made by the other provisions of this section.

Section 102. Airmail

Subsection (a) of section 102 of the bill rewrites subsections (a) and (b) of section 4303 of title 39, United States Code. The new subsection (a) prescribes a rate of postage on domestic airmail weighing not more than 7 ounces of 10 cents for each ounce or fraction thereof. This change represents an increase in the rate from 8 to 10 cents, and a reduction from 8 to 7 ounces. The reduction to 7 ounces is necessitated by the new 10-cent rate in order to keep the total rate for 7 ounces (70 cents) below the lowest air parcel post rate of 80 cents.

Subsection (d) amends the definition of air parcel post contained in section 4301(2) to change the "eight" to "seven" ounces to conform with the adjustment indicated above.

The existing provisions of subsection (b) of section 4303, prescribing the rate of postage on postal cards and post cards sent as domestic airmail, are amended to increase the rate for cards from 6 to 8 cents.

Subsection (b) of section 102 of the bill amends subsection (d) of section 4303, relating, in part, to the rates of postage on air parcel post. Three changes are made in air parcel post postage rates.

The first is the establishment of one-half pound postage increments between 1 and 5 pounds, which will result in the reduction of postage on some parcels.

The second is to provide a single rate of 80 cents for all zones for matter weighing not over 1 pound. Otherwise, the air parcel post rates remain unchanged.

The third change is the elimination of paragraph (2) of subsection (d), which requires that first-class mail sent as air parcel post pay postage not less than 8 cents an ounce for the first 8 ounces, and 5 cents for each ounce in excess of 8 ounces. This requirement is no longer appropriate as the rates for first-class mail over 13 ounces and for air parcel post are the same.

Paragraph (3) of section 102(b) strikes out subparagraphs (A), (B), and (C) of section 4303(d)(5) of title 39, United States Code, relating to airlift for servicemen overseas of certain categories of mail, and inserts new subparagraphs (A) and (B) with two substantive changes.

Subparagraph (B) of section 4303(d)(5) currently authorizes an airlift for second-class news publications only when addressed to a serviceman in an overseas combat area as designated by the President. The first amendment adds the second-class news publications to the category of mail covered by subparagraph (A), which authorizes airlift to all servicemen outside the 48 contiguous States of the United States.

The second amendment adds surface-type official mail to the category of mail entitled to airlift when mailed at or addressed to any Armed Forces post office where adequate surface transportation is not available. This category of airlift was included in subparagraph (C) of section 4303(d)(5), but the designation of the paragraph is changed to subparagraph (B) under the amendment.

Subsection (c) of section 102 makes technical amendments in section 4303(f) of title 39, United States Code, to conform with the new section 4170 added to title 39, United States Code, by section 116 of the bill.

Sections 103 and 104. Second-class mail, effective January 7, 1968

Sections 103 and 104 rewrite sections 4358, relating to within county rates for second-class publications, and 4359, relating to outside county rates, of title 39, United States Code, to place all the preferred rate categories under section 4358, and the regular rate categories under section 4359.

Section 4358, rates of postage; preferred

This section is amended to provide rates of postage for the following publications.

1. *Within county publications, subsection (a).*—The pound rate is increased in three steps, to take effect in 1968, 1969, and 1970. The minimum charge per piece is increased from 0.125 to 0.2 cent per piece.

Subsection (i) of section 4358 will apply the within county rates to each publication, if otherwise entitled to within county rates, having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one of more counties in the same State but which is politically independent of such county or

counties. The rates will apply to the county with which the independent city is principally contiguous.

2. *Nonprofit publications, subsection (d).*—At present, a flat rate of 1.8 cents per pound, subject to a minimum charge of 0.125 cent per piece, is charged for this category of mail. The bill increases the minimum charge per piece of 0.125 cent to 0.2 cent and provides a three-step increase (1968—1.9 cents, 1969—2.0 cents, 1970—2.1 cents) in the rate of 1.8 cents per pound for the nonadvertising portion of the nonprofit publication. Six-phase zone-based rates (1968–73) are prescribed for the advertising portions of such publications.

3. *Classroom publications, subsection (e).*—The postage on classroom publications will continue to be 60 percent of the pound rates and of the minimum charge per piece for regular outside county publications prescribed by section 4359(b).

4. *Agricultural publications, subsection (f).*—The rate of 4.2 cents per pound now prescribed on the advertising portion of publications mailed for delivery in zones 1 and 2 outside the county of publication is continued for publications devoted to promoting the science of agriculture when mailed for delivery in zones 1 or 2. The special rate will apply only to such publications when the total number of copies furnished during any 12-month period to subscribers in rural areas consists of at least 70 percent of the total number of copies distributed.

5. *Publications mailed in quantities of fewer than 5,000, subsection (g).*—The regular rate publications mailed in quantities of fewer than 5,000 copies for delivery outside the county of publication will continue to be subject to a lower minimum charge per piece, which is increased in three steps from 0.5 cent to 0.6, 0.7, and 0.8 cent. However, the existing provisions which prescribed a preferred rate for publications having 5 percent or less advertising are eliminated.

Subsections (h) and (j) of section 4358 contain conforming amendments to include within section 4358, provisions relating to classroom publications, publications of nonprofit organizations, and the definition of the term “zones,” which are now contained in section 4359.

Subsection (b) of section 103 makes conforming changes in the table of contents of chapter 63, title 39, United States Code.

Section 4359, rates of postage; regular

No change is made in the provisions of subsection (a) of section 4359, describing the conditions that must be met before copies of a publication are entitled to second-class postage rates.

Subsection (b) of section 4359 provides a three-phase increase (1968, 1969, and 1970) in the pound rates and the minimum charge per piece for regular rate publications mailed in accordance with subsection (a), and not subject to a preferred rate prescribed by section 4358.

The existing provisions of subsection (b)(2) of section 4359, relating to classroom publications, subsection (b)(3), relating to nonprofit publications, and subsection (b)(4), relating to publications mailing fewer than 5,000 copies per issue, have been included in section 4358.

Subsection (c) of section 4359, relating to the portion of a publication devoted to advertisements for purposes of determining that por-

tion of the publication subject to the advertising rate of postage, is amended so as to apply the provisions of such subsection (c) to publications covered by both sections 4358 and 4359, and to exclude from such portion the advertisements subject to the new section 4656 added by section 115 of the bill. The new section 4656 requires advertising supplements, mailed with publications entered as second-class mail, to pay the appropriate postage rate had such supplements been mailed other than with the publication.

Subsection (d) of section 4359 authorizes publications to be transported by air on a space-available basis upon the request of the publisher or news agent and upon payment of the regular postage plus an additional charge to be fixed by the Postmaster General. The additional charge may not be adjusted more frequently than once every 2 years and when prescribed or adjusted, shall equal as nearly as practicable the amount by which the allocated cost incurred by the Department for the delivery of such publications by air is in excess of the allocated cost the Department would have incurred had such publications been delivered by surface transportation.

The transportation of publications by air, pursuant to this section, will be permitted only when such transportation does not impede the transportation of airmail, air parcel post, or first-class mail.

The existing provisions of subsections (d) and (e)(1) and (2) of section 4359, relating to proof of qualifications and definitions of classroom publications and of a nonprofit publication, have been included in section 4358.

Subsection (e) of section 4359 updates and continues the definition of the term "zones" which was contained in the existing provisions of section 4359(e)(3).

Paragraph (2) of section 104(a) and section 104(b) of the bill make the necessary technical adjustments in the heading of section 4359. and in the table of contents of chapter 63, respectively.

Subsection (c) of section 104 amends section 4369(a)(4) to remove "trade publications serving the performing arts" from the exemption to the requirement that owners of publications having second-class mailing privileges furnish to the Postmaster General and publish in their publication certain information such as the number of copies distributed.

Section 105. Second-class transient mail

This section amends section 4362 of title 39, United States Code, to increase the rates for transient mail from 4 cents to 5 cents for the first 2 ounces. No increase is made in the 1-cent rate for each additional ounce or fraction thereof.

Section 106. Controlled circulation publications

This section amends section 4422 of title 39, United States Code, to provide a three-phase increase in both the rate per pound and the minimum charge per piece for controlled circulations during 1968, 1969, and 1970.

Section 107. Third-class mail

Subsection (a) of section 107 of the bill rewrites subsections (a) and (b) of section 4452 of title 39, United States Code, prescribing postage rates for third-class mail.

Individual piece and bulk rate, subsection (a)

The individual piece rate is increased from 4 cents to 6 cents for the first 2 ounces, and the 2-cent rate for each additional ounce is continued without change. The bulk rates per pound and the bulk minimum charge per piece are continued at the existing rates until January 7, 1968, and then are increased.

Minimum rates

Subsection (b) of section 4452 requires all bulk third-class mail to be subject to the applicable minimum charge per piece, as prescribed in the various provisions of section 4452. Also, a minimum charge per piece of 1.3 cents is prescribed for such matter mailed on and after January 7, 1968, by (1) qualified nonprofit organizations which are organized for charitable, religious, or general health purposes, and are engaged predominantly in the accomplishment of such purposes, or (2) when such matter mailed by a qualified nonprofit organization consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

Bills and statements of account, subsection (b) of section 107 of the bill

Subsection (b) repeals section 4451(b) of title 39, United States Code, to conform with an amendment made by section 101(d) of the bill to section 4251(a), relating to the requirement that bills and statements of account be mailed as first-class mail.

Section 108. Special rate fourth-class mail

This section amends section 4554 of title 39, United States Code, in several major respects.

The section heading of section 4554 and the corresponding table of contents are amended by subsections (b) and (c) of section 108 to remove the implication that all items entitled to the preferred rates prescribed by this section consist of educational material. While the provisions of this section originally included only educational items, there now are included in the section many items which have doubtful, if any, educational value. For example, the preferred rates apply to all "books" and to all "sound recordings."

The general rate under subsection (a) of section 4554 is increased from 10 cents for the first pound to 16 cents for the first 2 pounds or fraction thereof, and from 5 cents to 6 cents for each additional pound or fraction thereof. The lower rates under subsection (b) for certain mailings between libraries, schools, and certain nonprofit organizations are increased from 4 cents for the first pound to 8 cents for the first 2 pounds, and from 1 cent to 3 cents for each additional pound.

Subsection (a)(1) of section 4554 is amended to clarify the provisions so that they will not be interpreted to deny the special fourth-class rates to book supplements; such as, for example, single volumes belonging to multivolume sets, or law or medical books issued serially. Public Law 89-593 redefined the definition of books so as to extend the special rates to complete looseleaf books, excluding replacement pages thereafter mailed. The language included in the amendment could be interpreted to exclude book supplements such as those described above, which was not intended by the Congress. This amendment simply clarifies the existing state of the law since book supplements are, and have been, entitled to the special fourth-class postage rates.

Subsection (a)(2) is amended to include films narrower than 16-millimeter films within the items that are entitled to the preferred rates under section 4554.

Subsection (c) of section 4554 is amended to include films narrower than 16 millimeters.

A new subsection (e) is added to section 4554, authorizing the Postmaster General to prescribe the manner of preparation for mailing items at the preferred rates when items are mailed in quantities of 1,000 or more.

Section 109. Keys and other small articles

This section amends section 4651(b) of title 39, United States Code, to increase the rate for keys and other small articles from 6 cents for each 2 ounces or fraction thereof, to 14 cents for the first 2 ounces or fraction thereof, and 7 cents for each additional 2 ounces or fraction thereof.

Section 110. Special handling service

This section amends section 6008 of title 39, United States Code.

The existing provisions of section 6008 are amended to include third-class mail (limited in weight to less than 16 ounces) within the authority of the provisions entitling fourth-class mail (minimum weight limit of 16 ounces) to the most expeditious handling and transportation practicable. Such special service is available only upon payment of a special handling fee, which is authorized to be fixed by the Postmaster General. The amendment adds a further provision to make it clear that such special handling does not require handling and transportation as airmail.

Section 111. Separation by mailer of second-class mail

This section rewrites section 4363 of title 39, United States Code, to require publishers and news agents to mail second-class matter in the manner directed by the Postmaster General.

This section eliminates the words "to zones" from the present law on sorting and separating of second-class mail.

The Postmaster General has not required zone separation for many years. Instead, city and State separation was required. More recently the requirement is to separate by ZIP codes.

Section 112. Printing on second-class covers

This section adds a new subsection (d) to section 4365 of title 39, United States Code, relating to permissible marks and enclosures on or in second-class mail matter.

Under subsection (d), there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.

Many publications issuing a special edition in honor of a centennial or anniversary celebration of a community, have printed matter on the envelopes or covers, identifying the centennial or anniversary, which makes the publication nonmailable at second-class rates under the existing provisions of law. The Department has found that enforcement of the provisions presents an unnecessary administrative

burden. There are no restrictions of this kind applicable to other classes of mail.

The amendment made by this section will remove the administrative burden and permit certain writing or printing as indicated above to be included on the outside wrappers or envelopes in which copies of second-class publications are mailed.

Section 113. Additional entry points

This section adds a new subsection (k) to section 4358 of title 39, United States Code, as amended by this bill. Under this amendment, special local rates for mailings at additional entry points would be eliminated. Under present law, publications issued more often than once a week pay a flat rate of 1 cent per copy for local delivery by city carriers from the post office where they are entered for mailing. Publications issued less often than once a week pay 1 cent per copy if they weigh 2 ounces or less, and a flat 2 cents if they weigh more for local delivery by city carriers from the office of mailing. These special local delivery rates apply at every post office where the publication is entered for mailing, even at post offices outside the actual county of publication. Mailings at post offices outside the county of publication are called additional entry points. A number of mass-circulation magazines have taken advantage of this rate by shipping their publications to major cities outside the county of publication, entering the publication for mailing in these cities, and receiving the special reduced local delivery rate. The Department has just completed a survey of mailing patterns of 20 major nonweekly magazines which employ additional entry points and are now subject to the special 1- and 2-cent-per-copy rates at such points. The results indicate a loss of \$1 million a year in postal revenue, representing the difference between the postage and the 1-cent and 2-cent-per-copy rates for the local deliveries at the additional entry points and the postage that would have to be paid if the publications were charged the regular zone rates. The bill would eliminate the per-copy rates for publications mailed at additional points of entry. The per-copy rates would continue to apply to local delivery from the post office of original entry in the county of publication.

This amendment does not affect the practice of using additional entry points upon payment of the appropriate zone rate but does eliminate the use of the within-county rates or the per copy rates at the additional entry points.

Section 114. Matter for the blind and other handicapped persons

This section strikes out sections 4653 and 4654 of title 39, United States Code, and adds new sections 4653, 4654, and 4655. Also, existing section 4451(d) of title 39 is repealed. This section relates to the mailing as third-class mail of unsealed letters written in point print or raised characters, or sound reproduction records.

The new section 4653 would extend the free mailing privileges currently provided only for matter mailed to the blind, to include other persons who cannot use or read conventionally printed material because of a physical impairment. The Library of Congress has for over 35 years administered the national books for the blind program. Public Law 89-522, July 30, 1966, authorized the Library of Congress to provide books and other reading materials to those persons who, because of physical handicaps, cannot read or hold ordinary printed

materials. The amendment made by this section will include such persons within the benefits of the free mailing privilege.

The free postage is available when the matter mailed has no charge, or rental, subscription, or other fee, or the fee required is not in excess of the cost thereof. The matter may be opened by the Postmaster General for inspection, it must contain no advertising, and is subject to size and weight limitations prescribed by the Postmaster General. The free mailing privilege is extended to reading matter and musical scores; sound reproductions; paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions; reproducers, or parts thereof, for sound reproductions; and braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment within the meaning of this section.

The new section 4654 would restate the present provisions of section 4451(d), which is repealed, under which unsealed letters written in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage by a blind person or a person having a physical impairment, as described in section 4653(a)(1).

The new section 4655 would include in the law a new requirement that all matter mailed free under sections 4653 and 4654 be appropriately marked "Free Matter for the Blind or Handicapped" or with a similar phrase prescribed by the Postmaster General.

Section 115. Enclosures mailed with second-class publications

This section adds a new section 4656 to title 39, United States Code, to require certain matter mailed with second-class mail to be charged postage at first-, third-, or fourth-class rates, as appropriate, had such matter been mailed other than with the publication. The applicable higher rates will apply to bills or receipts mailed with second-class publications, either loose or bound in the publication, or loose in the same envelope, wrapper, or other cover in which the publication is mailed. The higher rate also will apply to advertising supplements mailed with such publications.

Under existing regulations, an advertising supplement may be mailed with a second-class publication subject to certain conditions (Postal Manual 132.44). The supplement must be germane to the issue and prepared in order to complete the issue. It must bear the title of the publication, preceded by the words "Supplement to".

The regulations provide that "publications" which are distinct from and independent of the regular issue, such as catalogs, circulars, handbills, posters, and other "special" advertisements, are not germane to the issue and may not be inserted as supplements to publications sent as second-class mail. Also, under the regulations, publishers must be paid advertising rates and charges for carrying preprinted advertising supplements germane to the issue with which they are mailed.

During the course of the hearings, the committee received many exhibits of advertising supplements which were mailed with publications. In the opinion of the committee, it is doubtful whether some of these advertising supplements qualified under the regulations.

Some did not have the imprint, "Supplement to", others appeared to be independent "publications," circulars, catalogs, or not germane to the issue.

This amendment is intended to strengthen the position of the Post Office Department in this matter by excluding all advertising supplements from being mailed at the low second-class rate category, and requiring the regular rates even though mailed with second-class publications. It is expected that new, more meaningful regulations, be issued by the Department defining "advertising supplements."

Under this amendment the advertising supplements, as properly defined by the Department, which are mailed with a second-class publication will be required to pay postage at first-, third-, or fourth-class rates, as appropriate, had such supplements been mailed other than with the publication.

Section 116. Mailing privileges of Armed Forces in the Canal Zone

This section adds a new section 4170 to title 39, United States Code, to clarify the application of the mailing privileges for members of the U.S. Armed Forces and of friendly foreign nations, to the servicemen stationed in the Canal Zone. The Canal Zone currently does not have any Armed Forces post offices, but operates an independent postal service under the jurisdiction of the Canal Zone Government (2 Canal Zone Code 1132, 76A Stat. 39).

Subsection (a) of section 4170 of title 39, United States Code, as added by this bill, will extend the mailing privileges prescribed by sections 4169(a), 4303(d)(5), and 4560 of title 39, as amended by this legislation, to servicemen stationed in the Canal Zone.

Subsection (b) of section 4170 authorizes the Department of Defense to reimburse the postal service of the Canal Zone for the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, as required by such section 4170.

Subsection (b) of section 116 makes technical amendments in the table of contents to chapter 57 of title 39, United States Code, to conform to the new section 4170 added by subsection (a) of this section.

Section 117. Air transportation of parcels to or from Armed Forces post offices

This section adds a new section 4560 to title 39, United States Code, to create a new category of airlift mail consisting of parcels weighing not in excess of 30 pounds, and measuring not in excess of 60 inches in length and girth combined, other than parcels mailed airmail or air parcel post.

This new authority will apply for parcels mailed at or addressed to any Armed Forces post office, whether such post office is established within the United States or overseas, upon payment by the sender of the regular surface parcel post zone rate of postage, plus a special fee to be fixed by the Postmaster General for the domestic transportation by air. The committee intends that the fee be uniform for all packages without regard to weight or domestic distance to be transported. The preliminary indications are that the fee probably could be fixed in the neighborhood of \$1 per package.

The new airlift is authorized for transportation between the point of mailing and the point of delivery and will include airlift within the

United States, whereas airlift for parcels not in excess of 5 pounds under existing law (39 U.S.C. 4303(d)(5)) applies only between the point of embarkation and the point to or from which the parcel is mailed overseas. The new authority adds an additional airlift category and is not intended to deprive a mailer of the option to ship a parcel weighing not in excess of 5 pounds at the regular surface parcel post zone rates, and obtain airlift only between the embarkation point and the Armed Forces post office overseas, or the option to ship a parcel at the premium airmail or air parcel post rates with the resulting preferred airmail service.

This section includes the requirement that the mail will be transported by air on a space-available basis on scheduled U.S. air carriers at rates fixed and determined by the Civil Aeronautics Board.

Also, authority is included so that whenever adequate service by scheduled U.S. air carriers is not available to provide transportation of mail by air, the transportation of mail pursuant to this section may be authorized by airlift on other than scheduled U.S. air carriers.

Section 118. Solicitations in the guise of bills or statements of account

This section adds a new subsection to section 4001 of title 39, United States Code, relating to nonmailable matter, to declare as nonmailable, solicitations for orders or services prepared in a form to mislead the addressee into believing that the solicitation actually is a bill for goods or services previously rendered.

The section provides that a solicitation for the order by the addressee of the goods or services is nonmailable matter and shall not be carried or delivered by the mail when it is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due, unless such matter bears on its face, in conspicuous and legible type, a notice that the matter actually is a solicitation for the order of goods and is not a bill, invoice, or statement of account due. The actual form of the notice to be imprinted on the solicitation may be as prescribed by regulations of the Postmaster General, or in the specific form set forth in the amendment. The section provides that this new provision shall be effective with respect to matter mailed on or after the 90th day following the effective date of the section.

Section 119. Effective dates

Section 119 prescribes effective dates for the various sections.

AGENCY RECOMMENDATIONS

This legislation is based on the official recommendations of the President relating to "Postal Rates and Services" included in his message to the Congress entitled "Civilian and Military Pay Raises," House Document No. 95, 90th Congress. The legislative proposal was transmitted by the Postmaster General by letter dated April 5, 1967, which is set forth below. The proposal was introduced as H.R. 7977, and an explanation of the proposal is included in House Document No. 106, 90th Congress, entitled "Survey of Postal Rates."

The provisions of several bills pending before the committee relating to postal rates have been included in the reported bill. The agency reports on such provisions are as follows:

1. Reports on H.R. 4224, relating to mailing privileges for U.S. Armed Forces, which was superseded by H.R. 10226, and

included in sections 101(b), 101(c), 116, and 117 of the reported bill.

2. Reports on H.R. 7192, relating to postage on matter for the blind and other handicapped persons, included in section 114 of the reported bill.

3. Two reports on provisions relating to bills and statements of account, included in sections 101(d) and 107(b) of the reported bill.

4. Report on H.R. 2071, relating to the book rate on book supplements, included in section 108 of the reported bill.

5. Report on H.R. 8951, relating to printing on envelopes, wrappers, or other covers in which second-class publications are mailed, included in section 112 of the reported bill.

THE POSTMASTER GENERAL,
Washington, D.C., April 5, 1967.

HON. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith a draft of a proposed bill to adjust certain postal rates and for other purposes. The proposed bill, if enacted, would carry out the recommendations the President has made to the Congress with respect to postal rates in his message on postal rates and pay. (H. Doc. No. 95, 90th Cong.)

I urge early enactment of this legislation by the Congress.

Sincerely yours,

LAWRENCE F. O'BRIEN.

The reports from the Bureau of the Budget on H.R. 4224 and the Post Office Department on H.R. 4224 and related bills are set forth below. The recommendations of the committee are included in the reported bill in sections 101(b), 101(c), 116, and 117. The Department of Defense witnesses testified at the public hearings in support of the position of the Bureau of the Budget, which is to the effect that action on this legislation should be delayed on the basis that the special mailing privileges granted by this legislation are a form of personnel benefits and, as such, any adjustments therein should be considered in the context of the results of the comprehensive review of pay, allowances, and fringe benefits now underway. The committee cannot agree with this contention.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 3, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Bureau of the Budget on H.R. 4224, a bill to amend title 39, United States Code, to provide additional free letter mail and air transportation mailing privileges for certain members of the U.S. Armed Forces, and for other purposes.

The testimony before your committee, the Department of Defense notes that H.R. 4224 would provide servicemen stationed in designated combat areas with little that they do not already enjoy with respect to mail privileges. Further, that testimony notes that to extend to servicemen not in combat zones special mail privileges originally granted in recognition of the unique needs of servicemen in such zones is to detract from the significance of those special privileges. Moreover, the Department questions the need and justification for extending special mail privileges to those not in combat zones, such as H.R. 4224 would provide. Finally, Defense states that special mailing privileges are a form of personnel benefits and, as such, any adjustments should be considered in the context of the results of the comprehensive review of pay, allowances, and fringe benefits now underway.

The Bureau of the Budget concurs in the views of the Department of Defense and, therefore, strongly recommends against favorable consideration of H.R. 4224, the enactment of which would be inconsistent with the administration's objectives.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

THE POSTMASTER GENERAL,
Washington, D.C., April 25, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 4224, providing additional free letter mail and air transportation mailing privileges for certain members of the U.S. Armed Forces, and for other purposes. This will also serve as a report on H.R. 4771, identical legislation.

Section 1 of this legislation extends free mailing privileges for letters, cards, and voice records or tapes to members of the Armed Forces stationed outside the 48 contiguous States. Presently, only troops in designated combat zones are entitled to the privilege. In addition, section 1 grants the privilege to servicemen hospitalized in a facility under the jurisdiction of the Armed Forces as a result of disease or injury incurred while on active duty. Existing law in this regard grants the privilege only to servicemen hospitalized as the result of disease or injury incurred in a designated combat area. Section 1 also extends the privilege in similar fashion to members of an armed force of a friendly foreign nation serving under U.S. commands (39 U.S.C. 4169(a)(2)).

Basically, extension of free mailing privileges as proposed is a matter falling within areas of responsibility which pertain to the Department of Defense. We would defer to the judgment of that Department as to whether all overseas troops should have free mailing privileges at this time. Should the privilege be so expanded, the Post Office Department would receive appropriate postage reimbursement from the Defense Department, by virtue of section 4169(b) of title 39, United States Code.

Section 2 of the bills establishes a new category of airlift mail. It provides that a surface parcel not over 30 pounds in weight, and 60

inches in combined length and girth, which is mailed at or addressed to any Armed Forces post office shall be transported by air, on a space-available basis, upon payment of the regular postage plus a special fee to be prescribed by the Postmaster General.

Under present law (39 U.S.C. 4303(d)(5)), parcels up to 5 pounds in weight, and 60 inches in combined length and girth, are accorded airlift service between points of embarkation or debarkation and Armed Forces post offices overseas, upon payment of regular surface postage.

Section 2, it is noted, does not contain any criteria or guidelines for the special fee to be prescribed by the Postmaster General. In this connection a single, flat fee to be charged an eligible parcel, regardless of considerations of weight or distance involved, would not be equitable.

The enactment of section 2 would result in encouraging and increasing the flow of packages to members of the Armed Forces. This involves questions of logistics and troop morale, considerations which relate to responsibilities of the Department of Defense. We suggest, therefore, that the merits of section 2 can best be determined by that Department. If it is favorably considered, however, we believe it should contain provision for reimbursement to this Department from the Defense Department of the additional unrecovered air transportation cost that would result from its adoption.

Section 3 extends the present airlift service for second-class news publications so as to include all overseas Armed Forces post offices. Currently, this aspect of the airlift law is confined to designated combat areas. The Department would defer to the Defense Department on this feature of the bill.

The Bureau of the Budget has advised that from the standpoint of the administration's program there is no objection to the submission of this report to the committee.

Sincerely yours,

LAWRENCE F. O'BRIEN.

THE POSTMASTER GENERAL,
Washington, D.C., August 16, 1966.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for a report on H.R. 7192, relating to rates of postage on matter for blind and other handicapped persons.

The bill would strike sections 4653 and 4654 of title 39, United States Code, which relate to certain mailing privileges for the blind, and substitute in lieu thereof new sections 4653, 4654, and 4655. The bill would also repeal section 4451(d) of title 39, which likewise relates to these mailing privileges.

New section 4653 would restate the present provisions of sections 4653 and 4654, making the following substantive changes therein: (1) Matter now mailable at reduced rates under section 4653(b) would be postage free; (2) regardless of the identity of the mailer or addressee, qualified matter for the use of a qualified person would be

postage free; (3) typewriters and other materials and devices designed or adapted for use by the blind would be postage free, subject to size and weight limitations prescribed by the Postmaster General; (4) advertising matter for the blind could be postage free, although it is now categorically excluded from any matter mailed postage free under sections 4653 and 4654; (5) the requirement that publishing houses and other institutions using the free mailing privileges not be conducted for profit would be deleted; (6) the restrictions on the ownership of matter now mailable under section 4654 would be deleted; and (7) the class of persons entitled to the free mailing privileges of sections 4653 through 4655 would be expanded to include "persons who cannot use or read conventionally printed material because of a physical impairment."

New section 4654 would restate the present provisions of section 4451(d), under which unsealed letters written in point print or raised characters, or on sound reproduction records, used by the blind are defined as third-class mail, and make such letters postage free.

New section 4655 would include in the law a new requirement that all matter mailed free under sections 4653 and 4654 be marked "Free Matter for the Blind or Handicapped," or a similar phrase prescribed by the Postmaster General.

The Department has long supported the principle of free mailing privileges for the blind. We, furthermore, generally endorse the liberalization of these privileges as proposed by this bill. For the reasons hereinafter set forth, however, we believe three changes in the bill are desirable.

First, we understand that the proposed extension of free mailing privileges to matter which "is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment" is intended to (1) enable blind or other qualified handicapped persons to mail special form matter to other qualified persons and (2) extend the free mailing privilege to materials for the use of those other handicapped persons who are covered into the Library of Congress books-for-the-blind program by Public Law 89-522 (2 U.S.C. 135a, 135b). With regard to (1), it may be noted that the coverage of the bill is much broader than the understood purpose. Accordingly, it is suggested that the class of mailers or addressees be stated as "for the use of and mailed by, or mailed for, or addressed to * * *." With regard to (2), Public Law 89-522 describes these handicapped persons as "other physically handicapped readers certified by a competent authority as unable to read normally printed matter as a result of physical limitations, under regulations prescribed by the Librarian of Congress for this service." We believe this certification procedure is a prudent and adequate protective measure, designed to prevent use of the program by persons not intended by Congress to benefit therefrom. Furthermore, we suggest that similar protective measures are needed to prevent abuse of the free mailing privilege. Accordingly, we suggest that this provision of the bill be amended to incorporate, either by reference or independently, the certification procedure required in Public Law 89-522.

Second, we believe that the proposed change under which advertising matter could be mailed postage free is unwarranted, unnecessary, and a potential source of considerable loss to the postal revenues. Accordingly, we strongly urge that the bill be amended to restore the present provisions of law relating to advertising matter.

In conclusion, it should be noted that the expanded free mailing privileges proposed by this bill will result in lost postal revenues. At present we cannot accurately estimate these losses. The Department believes, however, that the program should be funded in conjunction with other similar programs. Accordingly, it is suggested that a provision similar to that relating to reimbursement to the Post Office Department by the Department of Defense of expenses incurred in connection with soldier mail, set forth in section 4169 of title 39, United States Code, be included in the bill. The Congress can best determine whether the funding agency should be the Department of Health, Education, and Welfare or Library of Congress, both of which have substantial programs for the assistance of the blind and other handicapped.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the committee from the standpoint of the administration's program.

Sincerely yours,

LAWRENCE F. O'BRIEN.

THE LIBRARIAN OF CONGRESS,
Washington, D.C., June 6, 1967.

HON. THADDEUS J. DULSKI,
*Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. DULSKI: This is in reply to your recent letter asking for the comments of the Library of Congress on H.R. 7192 and H.R. 7153.

As you know, the Library of Congress has, for over 35 years, administered the national books for the blind program. During the last session of Congress, Public Law 89-522 amended the act to provide that books and other reading materials furnished for the blind should also be made available to those persons who, because of physical handicaps, cannot read or hold ordinary printed materials.

Under provision of law (39 U.S.C. 4653-4654) reading materials for the blind, including books in braille and talking books, and the machines on which to play the talking books have been exempt from postage fees. As a result blind residents of the United States have been able to receive free library service comparable to the library service provided to sighted persons.

Heretofore, persons with physical handicaps other than blindness who could not read or manipulate a book have not been able to participate in any library program because specialized reading materials such as talking books have not been available to them. It would, in my opinion, be unfortunate if they could not participate in this expanded library program because they were unable to pay the cost of postage. Library service in the United States has traditionally been a free service and these individuals would be penalized because their physical infirmities prevent them from being able to go to the library to obtain reading materials. For the most part, the only way they can receive books is via the United States mail.

In addition, the administration of the Library's books for the blind and physically handicapped has been complicated by the fact that blind readers can receive reading material and talking book machines

free of postage and the handicapped readers cannot. At present, over 100,000 blind readers and 25,000 handicapped readers are enrolled in the program. It is estimated that approximately 20,000 more handicapped readers will enroll in the program during fiscal year 1968.

Congress has been generous in its support of this very worthwhile program and I believe it has taken special pride in the achievements made since the program was inaugurated in 1930. The enactment by Congress of the legislation before your committee would insure the success of the expanded program to provide reading materials to other physically handicapped persons. The extension of the postage-free provision to this segment of the population would constitute a national investment in the rehabilitation of physically handicapped individuals.

Sincerely yours,

L. QUINCY MUMFORD,
Librarian of Congress.

THE POSTMASTER GENERAL,
Washington, D.C., July 5, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of this Department on S. 1693, a bill to provide that bills and statements of account prepared by electronic data processing equipment be classified as first-class mail.

Section 4251 (a) of title 39, United States Code, defines first-class mail as consisting of mailable: (1) postal cards, (2) post cards, (3) matter wholly or partially in writing or typewriting (with certain exceptions not here material), and (4) matter closed against postal inspection.

Section 4451(a) of title 39, United States Code, defines third-class mail as consisting of mailable matter which is: (1) not mailed or required to be mailed as first-class mail, (2) not entered as second-class mail, and (3) less than 16 ounces in weight.

Section 4451(b) of title 39, United States Code, provides that bills and statements of account may be mailed at the lower third-class postage rate if produced by any photographic or mechanical process, other than typewriting, and if 20 or more identical copies are mailed at one time. In other cases, bills and statements of account shall be mailed as first-class mail.

Some years ago, the question arose as to whether material produced by electronic data processing equipment (now commonly referred to as computers) should be considered as material produced by a mechanical process other than typewriting. It was then decided that such material should be considered as being produced by a typewriting process. Accordingly, for a number of years thereafter, bills and statements of account prepared by computers were classified as first-class mail.

In 1966, the question was again presented as to whether material produced by electronic data processing equipment should be considered as being produced by a typewriting process. After very long and careful consideration, which included consideration of the exact mechanical manner in which high speed computers produced the material, the

General Counsel of the Post Office Department concluded that computers produced material by a mechanical process which more closely resembled a printing than a typewriting process. Accordingly, in February 1967, the General Counsel expressed the opinion that material produced by high speed computers should be considered as having been produced by a mechanical process other than typewriting. The effect of that ruling is that material which for years had been classified as first-class mail could thereafter be mailed at the lower third-class rate. Thus, at a time when the Department is attempting to secure needed increases in postal rates to pay for the increased costs of the postal service, certain mailers are receiving substantial reductions in postal rates. It is estimated that if S. 1693 is not enacted, the Department will suffer an annual loss of revenue in the amount of \$20 million.

The Department believes that S. 1693 should not be regarded as a bill to increase postal rates. Rather that it may more properly be considered as a bill to keep bills and statements of account produced by computers in the first-class postage rate category that they had been in before the February 1967 ruling. In short, by its enactment, the status quo would be preserved and one group of mailers would not receive an unexpected rate reduction while other groups of mailers have their rates increased.

In view of the foregoing, we recommend the enactment of S. 1693.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the committee from the standpoint of the administration's program.

Sincerely yours,

LAWRENCE F. O'BRIEN.

AUGUST 31, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This will reply to your letter of August 17, 1967, in which you advise that the committee has adopted an amendment to H.R. 7977 which will change section 4251 of title 39, United States Code, to read in pertinent part: "(a) First class mail consists of mailable * * * (4) bills and statements of account * * *."

You ask whether the words "bills and statements of account" would be interpreted as including invoices.

The Department has long made a distinction between bills and statements of account on the one hand and invoices on the other. Pursuant to section 4555 of title 39, United States Code, and predecessor provisions of law authorizing the enclosure in fourth-class mail of a description of the article mailed, the Department has, at least since the 1913 edition of the Postal Laws and Regulations, authorized invoices to be enclosed.

Bills differ from invoices in that they constitute requests for payment of amounts due. Invoices on the other hand are itemized lists of goods shipped to a buyer, stating quantities, prices, shipping charges, etc. They do not purport to call for payment, nor do they state an account between the buyer and the seller.

If the amendment in question becomes law the Department, in the absence of legislative history to the contrary, would not consider the phrase in question as including invoices.

It is my understanding that a question has also been raised as to whether the amendment to section 4251 would affect title 39, United States Code, section 4365(b). That section provides, in relation to second-class mail, "publishers and news agents may enclose in their publications bills, receipts and orders for subscriptions." The purpose of section 4365 is to authorize the enumerated items to travel as a part of second-class mail even though these same items might be chargeable with first-class postage if mailed separately. In view of the difference in purpose between section 4365(b) and 4251 we would not consider the amendment to the latter as affecting the former.

Sincerely yours,

LAWRENCE F. O'BRIEN.

THE POSTMASTER GENERAL,
Washington, D.C., April 6, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 2071, extending the book rate of postage to books issued to supplement other books.

The purpose of this measure is to clarify the meaning of "books," as defined in Public Law 89-593, in order to make clear that it will not inadvertently deny the special fourth-class rates to book supplements such as, for example, single volumes belonging to multivolume sets, or law or medical books issued serially.

Public Law 89-593, the Parcel Post Act of 1966, redefined the definition of books so as to extend the special rates to complete looseleaf books, excluding replacement pages thereafter mailed. It now appears, however, that the language used could be interpreted to exclude also book supplements, such as those described above, an exclusion not intended by Congress. H.R. 2071 would remove the possibility of such an incorrect interpretation.

Book supplements are, and have been, entitled to the special fourth-class postage rates. As indicated, the proposed legislation simply clarifies the existing state of the law. We favor such clarification, and, therefore, have no objection to the enactment of H.R. 2071.

The Bureau of the Budget has advised that from the standpoint of the administration's program there is no objection to the submission of this report to the committee.

Sincerely yours,

LAWRENCE F. O'BRIEN.

THE POSTMASTER GENERAL,
Washington, D.C., July 17, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 8951, a bill to allow writing or printing on envelopes, wrappers,

or other covers in which copies of second-class publications are mailed.

This measure amends section 4365 of title 39, United States Code, relating to permissible marks and enclosures on or in second-class mail matter, so as to permit writing or print on the outside wrappers or envelopes in which copies of second-class publications are mailed.

The Department favors the purpose of H.R. 8951. The present restriction on writing or print on outside covers of second-class mail is difficult for our post offices to administer. In any case the general practice of publishers is to mail as many copies of their publications as is possible without wrappers, in order to save the cost of wrappers. Furthermore, there are no restrictions of this kind applicable to other classes of mail.

However, since enactment of the bill would permit advertising matter to appear on the outside wrapper or cover, which matter is now confined to the inner content of a publication, the effect of the legislation is to merge the outer wrapper with the body of the publication. In view of this, the Department recommends an amendment to the bill to the effect that wrappers or covers containing advertising matter shall be considered as part of the advertising portion of a publication for purposes of postage payment. This could take the form of adding the following language to the proposed new subsection: "but when such covers contain advertising they shall be considered as part of the advertising portion and the publication for the purpose of computation of postage."

The Bureau of the Budget has advised that from the standpoint of the administration's program there is no objection to the submission of this report to the committee.

Sincerely yours,

LAWRENCE F. O'BRIEN.

TITLE II—FEDERAL SALARY ACT OF 1967

The purposes of this title and the official recommendation of the President for general Federal civilian salary adjustments are set forth at the beginning of this report.

STATEMENT

In view of the repetition this year of the perennial struggle between conflicting interests involved in all Federal civilian salary legislation, certain observations are deemed in order to establish a proper frame of reference for the committee salary recommendations contained in title II of the committee amendment to H. R. 7977.

The Government's 3 million employees constitute the largest single work force in the world. The \$18 billion annual civilian payroll for the salary systems, covered by title II, constitutes 14 percent of the total Federal administrative budget. Even a modest adjustment in such an immense payroll, therefore, is a formidable undertaking, demanding most careful examination and weighing of all of the interests concerned. These interests arise from three principal sources.

There are the employees, who have families to clothe, house, and feed, children to educate, and all of the problems and expenses of other Americans. Salaries are matters of first importance to these employees and their dependents, who often have no other source of income.

There are the fiscal responsibilities of the President and the administration. Federal salaries are but one aspect of a total budget involving high economic policy, the dangers of inflation, the financing of a war, conflicting demands for available funds, and innumerable other problems.

Finally, there are the taxpayers who must pay the costs of any Federal salary increase. With a \$30 billion fiscal year deficit facing their Government and the Congress trying to cut expenditures in every category, the taxpayers are sympathetic to the efforts of the administration to control the amount of any salary increases.

The committee devoted serious attention to all of these interests, and had the benefit of a wealth of information developed in extensive hearings before the Subcommittee on Compensation, as well as the carefully worked out legislative recommendation of the subcommittee. The subcommittee listened sympathetically to arguments by the administration and by employee groups, while keeping in mind the interests of the taxpayers.

It has been impossible, as usual, to bring forth a bill that fully satisfies all interests. The pay raises recommended by the Subcommittee on Compensation are well below many employee group requests, but in their entirety represent the most liberal salary "package" proposed in many years. The raises are moderately more liberal than those recommended by the President, but are regarded as not unreasonably beyond his recommendations.

In the judgment of the committee, the salary bill reported by the Subcommittee on Compensation strikes a fair and realistic balance between all of the major interests concerned. It is a suitable compromise, consistent with the best interests of the taxpayers, the Government, and the employees. Accordingly, title II of the committee bill adopts the subcommittee proposal virtually without change.

The chief thrust of title II is toward the achievement, finally, of comparability between Federal civilian salaries and those in private enterprise, as guaranteed by the Federal Salary Reform Act of 1962, without aggravating the critical budget problems of most immediate concern to the administration and the taxpayers. This title adopts the President's recommendation for a 4.5-percent increase, effective in October of 1967, for all statutory salary systems except the postal field service, and adds 1.5 percent to the President's proposal for that service. This first-phase increase costs only \$63 million more than the increase recommended by the President for the current fiscal year, in terms of the salary systems included in the President's recommendation.

Both the President's proposal and title II are designed to achieve full comparability with two added adjustments following the first-phase increases. The difference is that the President recommended a longer period of time than is provided in title II of the committee bill to reach full comparability.

SUMMARY OF MAJOR POLICIES IN TITLE II

OCTOBER 1967 SALARIES

The present 20-level postal field service salary schedule will be changed to a 21-level schedule, and all employees subject to the present schedule will be advanced by one numerical salary level. The advancement in salary level will give each employee a 6-percent salary increase effective in October of 1967. Rural carriers will receive the same increases as are granted city carriers.

Employees subject to the General Schedule (classified), Foreign Service Officer, and Foreign Service Staff Schedules, Veterans' Administration medical and surgical salary ranges, Agricultural Stabilization and Conservation county committee pay schedule, judicial branch pay rates or ranges, and legislative branch pay rates, all will receive 4½-percent pay raises effective in October of 1967.

JULY 1968 SALARIES

Postal employees will receive a second-phase increase of 5 percent in July of 1968. Employees in other pay systems will receive adjustments in July of 1968 to close one-half of the difference between their salary levels and comparable private enterprise salary levels (based on the June 1967 Bureau of Labor Statistics salary survey) but not less than 3 percent. The necessary salary adjustments for these other employees will be made by the President, without further legislative action.

APRIL 1969 SALARIES

Both postal and other employees will receive a final, third-phase adjustment in April of 1969 to bring all of their salaries up to a par

with private enterprise salaries, as determined by the June 1968, Bureau of Labor Statistics salary survey. This final adjustment also will be made by the President without further legislative action.

EXECUTIVE SCHEDULE SALARIES

Salaries for executive levels III, IV, and V are increased from \$28,500, \$27,000, and \$26,000, to \$29,500, \$28,750, and \$28,000, respectively, in order to accommodate the general salary increases proposed for career employees.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

A "Quadrennial Commission" is established to determine proper levels for executive, congressional, and judicial salaries once every 4 years. Each Commission will make a study for a full fiscal year every fourth year (beginning with the 1969 fiscal year) and must submit its recommendations to the President by the end of the calendar year in which the study is completed. The President shall include, in the next budget he transmits to the Congress after receiving the Commission's report, his recommendations for the exact rates of pay, and the kinds and amounts of expenses and allowances, for Federal executives, judges, and Members of Congress. The recommendations transmitted to the Congress by the President in his budget will become effective the first pay period beginning more than 30 days after transmittal of the budget, unless the Congress has enacted a statute fixing specific rates of pay and amounts and kinds of expenses and allowances or unless one House or the other has specifically disapproved any or all of the President's recommendations.

STATUTORY SCHEDULES—SALARY LINKAGE

The Federal Salary Reform Act of 1962, among other matters, established the principle of "salary linkage" of postal field service salaries and General Schedule salaries, as a necessary means for orderly establishment of appropriate relationships between the two salary systems, for purposes of determining comparability with private enterprise rates, because a great many postal field service positions have no counterpart for comparison of duties and responsibilities in the private sector.

It is the committee's intention that this direct salary linkage of the postal field service and the General Schedule salary systems be maintained, as a necessary adjunct of the comparability policy, even though the salary rates in the committee bill provide a 6-percent initial increase for postal field service employees and a 4.5-percent increase for General Schedule employees. The variance is due entirely to budgetary considerations, and does not alter the substantive principle of linkage of the levels of duties and responsibilities. The direct salary linkage, heretofore in effect, will be restored through the salary adjustments the President is to make in July of 1968 and April of 1969. The final schedules to be prescribed by the President in 1969 will establish the same salary ranges for postal field service level 21 and General Schedule grade 17, for postal field service level 12 and General Schedule grade 11, and for the first 10 step-rates of postal field service level 5 and General Schedule grade 5.

TABLE OF EMPLOYMENT AND COSTS

Statutory salary system	Number of employees	Fiscal year costs (in millions of dollars, cumulative)		
		1968	1969	1970
General Schedule.....	1,200,000	\$354.9	\$1,170.1	\$1,807.8
Postal field service.....	715,000	250.0	649.2	711.3
Veterans' Administration, Department of Medicine and Surgery....	21,000	8.3	32.1	50.0
Foreign Service.....	16,000	7.8	32.4	50.7
Total, executive branch.....	1,952,000	621.0	1,883.8	2,619.8
Judicial branch.....	5,000	1.75	5.68	8.55
Legislative branch.....	6,550	1.99	6.25	9.24
Agricultural Stabilization and Conservation county committee employees.....	21,350	4.10	12.90	19.75
Total, all systems.....	1,984,900	628.84	1,908.63	2,657.34

EXPLANATION OF TITLE II BY SECTIONS

Section 201 of title II provides a short title—"Federal Salary Act of 1967."

The schedule in section 202(a) provides 4.5-percent pay raises for all General Schedule (GS) employees, substantially as recommended by the President, effective the first pay period in October 1967. Subsection (b) provides the usual rules to convert employees to the new salary schedule.

Section 203 makes a technical change in the designation of the two top postal field service (PFS) salary levels, to conform with later provisions which replace the present 20-level postal field service salary schedule with a 21-level schedule.

Section 204(a) establishes a new position of "Cleaner" in PFS salary level 1, which will be the only position in the new salary level 1, and assigns a new position of "Custodian" to PFS salary level 2 which replaces the existing position of "Janitor."

Subsection (b) of section 204 advances every salary level now under the 20-level PFS schedule to the next higher level in the new 21-level PFS schedules provided by section 205(a).

Subsection (c) of section 204 is a salary saving provision for "cleaners" who are in PFS level 1 at date of enactment and are advanced to the new PFS level 2.

Section 205(a) replaces the present 20-level PFS salary schedule with two 21-level schedules. Postal field service schedule I grants a 6-percent, across-the-board raise to all PFS employees except for six rates in levels 20 and 21. The 6-percent raise is effective the first pay period in October 1967. Postal field service schedule II is a "comparability catchup" schedule, granting an additional 5-percent across-the-board raise effective the first pay period in July 1968, except for six rates in levels 20 and 21.

Subsection (b) of section 205 provides 2-phase raises for rural carriers to keep their compensation in line with city carriers in the postal field service schedules.

Subsection (c) of section 205 establishes an improved method of fixing salaries of postmasters at fourth-class offices. The present fourth-class office schedule is replaced by provisions which require payment of salaries of these postmasters at the appropriate step of PFS salary level 6 of the new PFS schedules, in amounts which bear the same ratio to the annual rate of level 6 as the total number of

hours worked by the postmasters bear to the regular 40-hour work schedule.

Subsections (d) and (e) of section 205 are appropriate adaptations of the usual conversion rules, to place employees in the new postal field service schedule I.

Subsection (f) of section 205 prevents loss of credit for time served in the postal field service upon conversion by this legislation to new salary schedules. Each employee will be credited with time served toward step advancement under the present PFS salary schedule when he is converted to the new salary schedule, and will not have to start a new waiting period.

Subsection (g) of section 205 provides for orderly conversion of employees from postal field service schedule I to postal field service schedule II when the latter schedule becomes effective in July of 1968.

Subsection (h) of section 205 guarantees credit for all time served in the postal field service for purposes of salary protection of any employee who shall have been reduced in salary standing, as provided in section 3560 of title 39, United States Code.

Subsection (i) of section 205 conforms the table of contents of chapter 45 of title 39, United States Code, with the fourth-class office changes.

Section 206 (a) and (b) consists of necessary conforming amendments to title 39, United States Code, relating to the new fourth-class office salary system established by section 205(c).

Subsection (c) of section 206 is a technical conforming amendment needed to preserve the right to overtime compensation for employees in present postal field service salary levels up to level 10, since the present PFS level 10 is redesignated as PFS level 11 by section 205.

Subsection (d) of section 206 also is a technical conforming amendment. Section 3575 of title 39, United States Code, exempts from coverage of certain sections of that title (among other special categories) "employees in salary level 15 and above" of the present 20-level PFS salary schedule. Since level 15 of the present schedule will become level 16 under title II of the committee bill, the reference in section 3575 of title 39, United States Code is changed accordingly.

Subsection (e) of section 206, similar in purpose to subsections (c) and (d), is a technical amendment providing for appropriate conforming changes in the administration of rules, regulations, orders, and other statutes with respect to any reference therein to PFS salary level numbers now in effect and as changed by title II of the committee bill.

Section 207(a) authorizes the President, when he finds that pay rates in private enterprise in certain occupations or areas are so far above Federal statutory pay rates as to impede recruitment and retention of qualified Federal employees, to establish initial salary rates for those occupations and areas above the initial steps of the appropriate grades or levels, but not above the maximum step rates of such grades or levels. Present law limits this authority to the seventh step rates.

Subsection (b) of section 207 authorizes the President or an agency he may designate to make appropriate adjustments in any salary rate established under the authority granted in subsection (a) to reflect salary increases enacted by statute for the regular salary

schedule or schedules to which such adjustments made under subsection (a) pertain.

Section 208 provides 4.5-percent increases in all of the minimums and maximums of the salary ranges applicable to employees in the Department of Medicine and Surgery of the Veterans' Administration, effective in October of 1967.

Section 209 grants 4.5-percent pay raises to Foreign Service officers and staff officers and employees effective in October of 1967.

Section 210 grants Agricultural Stabilization and Conservation county committee employees pay raises in proportion to the pay raises granted General Schedule employees in section 202(a), effective in October of 1967.

Section 211 authorizes similar adjustments in the pay of employees whose salary rates are fixed by administrative action under separate statutory authority.

Section 212 provides for closing the lag of Federal salaries behind private enterprise rates which remains after the initial and, for postal, the second-phase pay raises, discussed above. For the executive branch, the President, without any further legislative action, (1) will be required to place in effect new pay rates for all employees (except postal) in July of 1968 which close half of the then existing "comparability gap" based on the 1967 Bureau of Labor Statistics comparability survey of private enterprise, but such new pay rates shall not be less than 3 percent above the rates in effect immediately before the President acts, and (2) will be required to make a second adjustment for all employees in April of 1969 closing the remainder of the then existing "comparability gap" based on the 1968 Bureau of Labor Statistics comparability survey of private enterprise. Employees subject to other pay systems covered by the bill will have their salaries similarly adjusted by appropriate authorities. All of the salary adjustments made pursuant to this section will be automatic, and will have the force and effect of statute when made by the appropriate authority.

Subsections (a), (b), and (c) of section 213 provide pay raises for judicial branch employees customarily included in committee salary bills in line with the raises provided by the General Schedule in section 202(a), effective in October of 1967. Subsection (d) restores salaries of the Director and the Deputy Director, Administrative Office of the U.S. Courts, to their former relationship with salaries of U.S. district court judges.

Section 214 provides pay raises for legislative employees customarily included in committee salary bills effective in October of 1967, except as noted in subsections (f) and (g), in line with those provided by the General Schedule in section 202(a). Subsection (f) restores, in part, the salary relationships of certain employees in the Office of the Architect of the Capitol that were established by the Legislative Branch Appropriation Act, 1960 (73 Stat. 407). The exclusions provided by subsection (g) are self explanatory.

Section 215 adjusts salaries for executive levels III, IV, and V from \$28,500, \$27,000, and \$26,000, to \$29,500, \$28,750, and \$28,000, respectively, in order to accommodate the general salary increases proposed for career employees.

Section 216 establishes a "Quadrennial Commission" to determine proper levels for executive, congressional, and judicial salaries once every 4 years. The Commission will make a study for a full fiscal

year once every fourth year (beginning with the 1969 fiscal year) and must submit its recommendations to the President by the end of the calendar year in which the study is completed. The President shall include, in the next budget he transmits to the Congress after receiving the Commission's report, his recommendations for the exact rates of pay, and the kinds and amounts of expenses and allowances, for Federal executives, judges, and Members of Congress. The recommendations transmitted to the Congress by the President in his budget will become effective the first pay period beginning more than 30 days after transmittal of the budget, unless the Congress has enacted a statute fixing specific rates of pay and amounts and kinds of expenses and allowances or unless one House or the other has specifically disapproved any or all of the President's recommendations.

Section 217 provides that this title will not raise any salary to a rate above the salary rate for executive level V, except as otherwise specified. The exceptions relate to positions already at rates above the rate for such level V.

Section 218 establishes a 20-percent minimum, and raises the maximum from 25 to 30 percent, for premium pay (in lieu of overtime pay) payable for regular overtime work by Federal employees which involves substantial amounts of "standby" time.

Section 219 provides the customary guidelines governing payment of retroactive salary raises that are needed if the title is enacted with a retroactive effective date, is probable.

Sections 220 and 221 extend eligibility for continued retirement, life insurance, and health benefits coverage to Government employees who are on officially approved leave without pay to serve with labor organizations which may have both Federal and non-Federal employees as members, if the employees pay the entire costs.

Section 222 makes adjustments in the statutory salary rates of certain officials in legislative branch agencies to maintain the relationships of such salaries to the salary rates for executive levels III, IV, and V, provided by section 215, since the salaries for such officials were keyed to those executive levels in Public Law 88-426.

Section 223(a) provides appropriate effective dates for the various parts of title II.

Subsection (b) of section 223 makes all of the October 1967 pay raises provided by the bill, and the salary adjustments to be made by the President and other authorities under section 212, effective on date of enactment or the date any such adjustment is ordered if retroactive, as the case may be, for purposes of fixing amounts of coverage under the Government employees' life insurance program. These provisions are needed, and like provisions are customary, whenever retroactive pay increases are authorized.

AGENCY RECOMMENDATIONS

The provisions of title II are based generally on the official recommendations of the President, including his message to the Congress entitled, "Civilian and Military Pay Raises," House Document No. 95, 90th Congress. The legislative proposal, together with a statement of purpose and justification, was transmitted by the Chairman, U.S. Civil Service Commission, by letter dated April 5, 1967, which is set forth below. The proposal was introduced as H.R. 8261.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., April 5, 1967.

Hon. JOHN W. McCORMACK,
Speaker of the House of Representatives.

Dear MR. SPEAKER: In accordance with the President's message of April 5, 1967, I transmit herewith for the consideration of the Congress proposed legislation which would place in effect the President's recommendations for adjustment of statutory salary schedules pursuant to the provisions of subchapter I of chapter 53, title 5, United States Code. There are enclosed a draft bill, a section analysis of its provisions, and a statement of purpose and justification.

Salary adjustments recommended would affect the schedules of the four statutory pay systems, for the General Schedule, for the postal field service, for the Foreign Service, and for physicians, dentists, and nurses in the Department of Medicine and Surgery in the Veterans' Administration. Proposed salary schedules rest on the factual basis presented in the annual report of the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission under the provisions of Executive Order 11073 and their further report of March 30, 1967. These reports, attached to the President's message, compare Federal salaries with private enterprise levels as reported by the Bureau of Labor Statistics in October 1966; propose a 4.5-percent average increase in statutory schedules in 1967, except that some of the highest rates where such an increase would bring career salaries above the salary of level V of the executive schedule; and further propose a commitment to increase statutory schedules to levels fully comparable to pay levels in private enterprise by two further increases, one in 1968 and one in 1969. Each of the three adjustments in schedules that are proposed would be effective in October of the particular year.

One additional proposal included in the draft bill would aid the Government in recruiting, especially at the inexperienced graduate level where industry rates have moved farther and farther ahead of salaries the Government can offer. Under section 5303 of title 5, United States Code, the Civil Service Commission can prescribe special rate ranges when it finds that the Government is significantly handicapped in recruiting or retaining well-qualified persons because private enterprise salaries are substantially higher than those in Federal statutory salary schedules for the classes of positions concerned. Under existing law the minimum rate for such special ranges may not exceed the seventh rate of the statutory scale of the grade. The proposal in the draft bill would raise this ceiling to the maximum rate of the grade.

The proposed 1967 salary adjustment would increase the Government's fiscal year 1968 costs by approximately \$541.4 million.

As directed by the President, I am prepared to consult with the appropriate committees of Congress on the form and specific content of the legislation which the President recommended to establish a special joint executive, legislative, and judicial salary committee to examine all Federal pay systems and to make a report to the President and to the Congress in January 1969.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the President's program.

A similar letter is being sent to the President of the Senate.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr., *Chairman.*

STATEMENT OF PURPOSE AND JUSTIFICATION OF A DRAFT LEGISLATIVE
PROPOSAL TO ADJUST THE RATES OF BASIC COMPENSATION OF CERTAIN
EMPLOYEES OF THE FEDERAL GOVERNMENT, AND FOR OTHER PURPOSES

The draft bill (H.R. 8261) would carry out recommendations in the President's message to Congress of April 5, 1967, forwarding the annual comparison of Federal salaries with salaries paid in private enterprise as provided in section 5302 of title 5, United States Code. The joint report of the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission prepared pursuant to Executive Order 11073, and their further report of March 30, 1967, were forwarded with the President's message.

The President's proposals include a 1967 increase in statutory salary schedules averaging 4.5 percent and a commitment for two further increases, one in 1968 and one in 1969, to bring statutory salary schedules by October 1969 up to levels comparable with those in private enterprise. The four statutory pay systems concerned are those of the General Schedule, of the postal field service, of the Foreign Service, and of the physicians, dentists, and nurses in the Department of Medicine and Surgery in the Veterans' Administration.

Salary rates reported by the Bureau of Labor Statistics for 1966, eliminating the effects of changes in the universe surveyed, show an average private enterprise increase of approximately 3.6 percent. Pay raises averaging 7.2 percent, at a cost well over \$1 billion, would be required for statutory salaries to be made fully comparable with private enterprise pay levels in 1966. From a fiscal and economic standpoint, full comparability is not possible in fiscal year 1968. Funds in the 1968 budget, however, will permit an average 4.5-percent increase in statutory schedules. This is sufficient to match the 1966 private enterprise pay rise and, beyond that, to close slightly the remaining gap between Federal and private enterprise pay levels by an additional salary increase of nearly 1 percent.

Top statutory salaries for the career ranks are now very close to those in the executive schedule. The President has appointed a committee to study top executive, legislative, and judicial compensation and to make recommendations to him by June of this year. Pending possible future adjustments in pay for these top levels, the career schedules in the proposed bill keep their highest salaries below the present \$26,000 salary for level V of the executive schedule.

Section 2 of the draft bill is a key provision. It would guarantee removal of the comparability gap in all four civilian statutory salary systems not later than October 1969. This would be done by a two-step plan with the first step to take effect in October 1968 closing the comparability gap by at least one-half and the final step to take effect in October 1969. The adjustments in each case would be based on the latest Bureau of Labor Statistics pay survey data available at the time. In each of these years the adjustment will be based on pay survey data more up to date by 3 months than has previously been possible.

The Bureau of Labor Statistics has made comprehensive changes in its salary survey program so that beginning with 1967 the survey findings will represent private enterprise salary levels in June rather than in the February-March period.

Attainment of Federal salary levels comparable with those of private enterprise is necessary for the Government to meet its responsibility as a good employer and as part of the continuing program to provide Federal employees with pay and working conditions comparable to those offered by private employers. In good faith, the Government must take this step. While fiscal and economic conditions now prevailing do not permit a full step of this magnitude at the present time, a guaranteed timetable will reassure the loyal workers now in the Federal service and will aid in recruiting competent personnel as needed.

Section 7 of the draft bill would help meet a current critical recruiting problem. Under the present law, when it is found that the Government is significantly handicapped in recruiting or retaining well-qualified persons because private enterprise salaries are substantially higher than salary rates authorized by statute for a given occupation, in one or more locations and grades or levels, higher basic pay rates may be established for such categories of positions. Responsibility for administering this provision of law has been delegated to the Civil Service Commission by Executive Order 11073.

Section 5303 of title 5, United States Code, which contains this authority, further provides that no minimum rate may be set higher than the seventh pay rate prescribed by statute for the grade or level. Recent experience of Government agencies in competing for college graduates to staff positions in essential defense and other key activities has clearly established a need to change this limitation. Competition for college graduates particularly in technical fields has intensified greatly due to the expanding needs of industry and government at all levels and the inadequate supply of available candidates. This has resulted in a rapid spiraling of private industry salary offers to college graduates during 1965 and 1966. Most recently this problem has arisen in the employment of nurses in certain locations where very substantial pay increases have been implemented in non-Federal hospital facilities.

Although entry level rates established for college graduates in engineering and other technical fields and for hospital nurses in certain locations have reached the seventh rate limitation, Government offers are simply no longer competitive. The differences are not minor; they have been as much as \$1,000 to \$1,500 per year, and more. Unless action is taken to change the limitation on higher minimum rates the existing deficiency will worsen and seriously undermine the technical staffing needs of essential Federal programs. Consequently, section 7 of the draft bill proposes changing the limitation on the Commission's authority from the seventh rate to the maximum rate of the grade. At most grades, the maximum is the 10th rate.

Summary of draft bill provisions

Altogether, provisions of the draft bill would immediately make a slight improvement in the relationship of Federal salaries to those in private enterprise that was established by the 1966 pay act, would aid the Government to recruit and retain a competent work force, and, most importantly, would guarantee full attainment in 1969 of the principle enacted in 1962 that "Federal pay rates be comparable with private enterprise pay rates for the same levels of work."

TITLE III—PANDERING ADVERTISEMENT MAIL MATTER

STATEMENT

The provisions of title III are intended to afford the public a means to prevent the mailing of pandering advertisements which the Postmaster General determines offers for sale matter represented by the advertisements as erotically arousing or sexually provocative.

During the 88th Congress, the House of Representatives passed legislation, H.R. 319, which would have afforded a homeowner an effective and urgently needed means to prevent the forced entry into his home through the U.S. mails of "morally offensive matter."

During the 89th Congress, the House of Representatives passed H.R. 980, which characterized the mail matter as "obscene, lewd, lascivious, indecent, filthy, or vile" rather than "morally offensive."

Neither of these bills was considered by the Senate, and strong objections were received from many interested parties that the proposed legislation would give private persons the right to set in motion a series of governmental actions which could seriously impede the dissemination of perfectly mailable matter to the general public.

All of the objections raised during the 88th and 89th Congresses have been reviewed, and the proposal contained in title III of this legislation is intended to provide a reasonable solution to the continuing problem faced by the homeowner of receiving unsolicited and undesirable sex-related mail matter.

During the past year, the Post Office Department received approximately a quarter of a million complaints from people throughout the United States, bitterly protesting the receipt of offensive, sex-oriented advertising matter in the mail. This represents an increase of about 200,000 over the number of complaints received 5 years ago. Most of the complaints are from parents whose minor children have received such advertisements.

Frequently, a teenager will write to a record club or answer an advertisement in a teenage or a Scout magazine. Somehow or other, the response to such advertisements frequently results in the teenager's name reaching the mailing-list market, and subsequently many of the teenagers are annoyed by receiving advertisements for obscene material or what is identified in this legislation as "pandering advertisement."

The public has been demanding that steps be taken to afford parents a means to stop this material from reaching their children through the U.S. mails. This legislation is in response to these demands.

The most singular development in the field of mail obscenity during the past year came in the far-reaching decision of the U.S. Supreme Court in the case of *Ginzburg v. U.S.*, 383 U.S. 463 (1966). The publisher's conviction for violation of the postal obscenity law was upheld by the Court because of his "pandering" advertisements.

The decision is expected to be useful in the prosecution of commercial traffic in pornography and will help curb mail-order advertisers

who have shown little restraint in the word-and-picture representations of their merchandise. This type of unsolicited advertising deeply irritates thousands of people who have protested to the Post Office Department. The Court noted in its decision that 'such unsolicited advertising "would tend to force public confrontation with the potentially offensive aspects of the work: the brazenness of such an appeal heightens the offensiveness of the publications to those who are offended by such material."

This legislation is phrased in keeping with the *Ginzburg* case to cover only that advertising matter which is intended for commercial exploitation of sexually provocative matters. It requires the determination by the Postmaster General that the particular mailing piece comes within the category of "pandering advertisements," as that term is used in the *Ginzburg* case. And if so, an order would be issued to the mailer which would advise the mailer to delete the name of the addressee involved from all mailing lists owned or controlled by the sender or his agents or assigns. Such an order by the Postmaster General is required to further prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the name of the designated addressee.

The order would additionally caution mailers that any further mailing of such matter after 30 days from receipt of such order could result in a request to the Attorney General, for an application to be made to a district court of the United States for an order directing compliance with such an order. Violation of such a court order could lead to punishment by the court as a contempt of court.

The committee believes that it is time that something be done to halt this suffusion of sex upon a protesting and objecting populace, and the saturation of our children with sexual fantasies during their adolescence.

The committee is mindful that any legislative attempt to impede the free circulation of printed matter, particularly in the area of sex-related materials, is confronted with the strictest constitutional limitations laid down by the Supreme Court in a series of cases running from *Roth v. U.S.*, 354 U.S. 476 (1958) down through the *Ginzburg* case. With these cases in mind, this legislation is intended to afford a means to prevent a mailer from sending through the mail matter offering to sell material of an erotic, sexual nature to an addressee who previously had notified the mailer he did not want to receive such material in the mail.

This type of solicitation is referred to in this legislation as "pandering advertisement." Such an advertisement is not obscene in itself, but offers to sell materials which are claimed to be erotically arousing or sexually provocative.

While the procedures prescribed by this legislation are exempted by subsection (h) from the provisions of the Administrative Procedure Act, the benefits of administrative due process are preserved by other provisions of this amendment which require the Postmaster General to grant a hearing if the mailer requests a hearing, and by the usual procedure which is required to be followed by a district court before a court order is issued.

The committee believes that this legislation represents a major step forward in the field of preventive legislation. It is designed to stop repeated mailings of offensive material rather than to punish the mailer after the mailings have occurred.

EXPLANATION OF TITLE III BY SECTIONS

Section 301 of title III amends chapter 51 of title 39, United States Code, by adding a new section 4009.

Subsection (a) of section 4009 subjects a sender or his agent or assign, who mails any "pandering advertisement" which offers for sale matter which the advertisement represents as erotically arousing or sexually provocative, to an order of the Postmaster General. The order would direct the sender to refrain from further mailings of such pandering advertisements to a designated addressee.

Subsection (b) authorizes the Postmaster General to issue such an order upon receipt of a notice from an addressee that he has received such mail matter, providing the Postmaster General determines the mail matter to be of the character of pandering advertisement. The order would direct the sender or his agents or assigns to refrain from further mailings of such matter to the named addressee.

Subsection (c) requires the order of the Postmaster General to expressly prohibit the sender from making further mailings of pandering advertisements to the designated addressee, effective on the 30th day after receipt of the order. The subsection also requires the order to direct the sender, his agents or assigns to delete the name of the designated addressee from all mailing lists and to prohibit the sender, or his agents or assigns, from the sale, rental, exchange, or other transactions involving mailing lists bearing the names of the designated addressees.

Subsection (d) authorizes the Postmaster General, when he believes that the notice has been or is being violated, to serve on the offender a formal complaint stating the Postmaster General's belief and the reasons for it, giving the offender 15 days to respond if he cares to. Any such response must be in writing. If the Postmaster General, after appropriate hearing, if requested by the sender, thereafter determines that there is or has been violation of the notice, he is authorized to request the Attorney General to apply to a district court for an order directing compliance with the notice. The subsection also confers authority on the Attorney General to apply for such orders.

Subsection (e) confers specific jurisdiction on any district court of the United States where mail has been sent or received in violation of such a notice, upon application by the Attorney General, to issue an order directing compliance with the notice. It further specifically empowers the court to punish failure to obey such an order as a contempt of court.

Subsection (f) provides that the receipt of mail matter 30 days or more after the effective date of the order shall create a rebuttable presumption that such mail was sent after such effective date.

Subsection (g) requires the Postmaster General, upon request of any addressee, to include in his order the names of any minor children who have not attained their 19th birthday and who reside with the addressee.

Subsection (h) exempts the provisions of section 4009 from the provisions of the Administrative Procedures Act.

Subsection (i) defines certain terms used in this section for purposes of clarity and to insure expeditious and effective administration.

Section 302 provides that title III shall become effective on the 120th day following the date of enactment of this act.

Cost

There is no possible way of anticipating the additional cost of administering the program contemplated by title III of this bill.

AGENCY RECOMMENDATIONS

This legislation is based, in part, on the recommendations by the Post Office Department, presented during extensive hearings held on H.R. 426 and H.R. 8215.

A report from the Department of Justice in connection with this proposal is set forth below.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., May 29, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice concerning H.R. 8215, a bill to amend title 39 of the United States Code in order to proscribe the mailing of certain matter not desired by addressees.

The primary purpose of the bill is disclosed in the proposed caption for the section which would be added to title 39 of the United States Code: "Prohibition of pandering advertisements in the mails." The remarks of the bill's sponsor upon its introduction clearly indicate that it is intended to reach advertising matter which, while not itself obscene, offers to sell "material of an erotic, sexual nature," although such material is also not necessarily obscene. 113 Congressional Record (daily edition) H3716.

Subsection (a) of the proposed new 39 U.S.C. 4009 would, in effect, define a "pandering advertisement" as one which offers for sale "matter which the advertisement represents as erotically arousing or sexually provocative."

Subsection (b) would authorize the Postmaster General to determine whether particular mail matter is "of the character of a pandering advertisement" and to issue an order, at the request of any addressees who have received such matter, "directing the sender and his agents or assigns to refrain from further mailings of such matter to the named addressees."

Subsection (c) would require that the order issued by the Postmaster General shall not only prohibit further mailings of "pandering advertisements" to the designated addressees but shall also: (1) direct the immediate deletion of the names of such addressees from "all mailing lists owned or controlled by the sender or his agents and assigns," and (2) prohibit the sender, his agents, and assigns "from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees."

Subsection (d) would provide a criminal penalty of not more than 1 year's imprisonment or a \$1,000 fine, or both, for anyone who has "willfully violated" any provision of such an order.

Subsection (e) would consist of various technical provisions, including authorization for such order to cover an addressee's minor children who reside with him, and an express direction that the Administrative Procedure Act "shall not apply to any provisions of this section."

In attempting to inhibit, upon threat of criminal sanctions, the mailing of any "pandering advertisements" which offer for sale erotic or sexual material, although neither the advertisement itself nor the material advertised for sale is obscene, the bill raises a substantial constitutional problem. Under existing law (18 U.S.C. 1461) the mailing of an advertisement for such material may constitute a crime, but only if the advertisement itself or the material advertised is actually obscene. *Cf. Ginzburg v. United States*, 383 U.S. 463, 465, note 4 (1966). The constitutionality of Federal legislation to make "pandering" of nonobscene material a criminal offense—as is here proposed—is an open question, even assuming a definition of "pandering" which could withstand attack on the grounds of vagueness. (See dissenting opinion of Mr. Justice Harlan in *Ginzburg*, supra at 494.)

Moreover, in authorizing the Postmaster General to determine, without a hearing and without applying prescribed criteria, whether particular material is "of the character of a pandering advertisement" and to thereupon issue an order prohibiting the sender from "further mailings of such matter to designated addressees," the bill is subject to substantially the same objection raised by the Department of Justice in its report, dated April 11, 1967, on H.R. 367 and H.R. 426. Those bills would impose upon the sender of mail the risk of anticipating whether the addressee will subjectively find a particular mailing to be as obscene as that addressee had subjectively found a previous mailing to be; the subject bill would impose upon the sender of mail the risk of anticipating whether the Postmaster General will subjectively find a particular advertisement to be of the same "pandering" character as he had subjectively found a previous mailing to be. In either case, as we stated in our April 11 report:

It is thus inevitable that the proposal would have, as against any sender receiving such notice, a "chilling effect upon the exercise of first amendment rights." *Dombrowski v. Pfister*, 380 U.S. 479, 487 (1965).

Indeed, the "chilling effect" on the sender which would result from receipt of the order contemplated by the subject legislation deliberately goes far beyond the proposal of H.R. 367 and H.R. 426. By the very terms of subsection (c) the recipient of an order thereunder would be inhibited from mailing to designated addressees any further material, without limitation, since he would be required to delete those addressees from "all mailing lists," even those which might clearly not involve "pandering advertisements."

By the same token, inasmuch as the order issued by the Postmaster General to the sender would inevitably constitute a broad administrative restraint on future mailings of any kind of material, procedural due process would seem to require at least the kind of prior notice and hearing afforded by the Administrative Procedure Act. Since the bill expressly renders the Administrative Procedure Act inapplicable, the absence of any judicial or administrative hearing prior to the issuance of the order would seem to run afoul the Supreme Court's admonition that: "Any system of prior restraint of expression comes to this Court bearing a heavy presumption against its constitutionality." *Bantam Books v. Sullivan*, 372 U.S. 58, 70 (1963).

By subjecting a sender to criminal sanctions for the mailing of non-obscene matter to an unwilling addressee, the subject legislation would

permit the addressee's right to privacy to outweigh the sender's right to disseminate constitutionally protected material. As the Department has previously stated in its reports to Congress on similar legislative proposals (*e.g.*, our report dated June 3, 1964, on H.R. 319, 88th Cong., First sess.), there is strong reason to believe that in weighting these relative rights of the sender and the addressee, the Supreme Court would hold that the balance favors the sender.

Finally, as a technical matter, we note that the citation in subsection (e)(4) to "5 U.S.C. 1001-1011," for the reference to the Administrative Procedure Act, does not reflect the 1966 codification of that title. The current citation should be to "subchapter 2 of chapter 5 and chapter 7 of title 5 of the United States Code."

In view of the above, and despite our continued support of the objective of this legislation, the Department of Justice is unable to recommend its enactment.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

RAMSEY CLARK,
Attorney General.

INDIVIDUAL VIEWS OF HON. EDWARD J. DERWINSKI
TO H.R. 7977

To be factual this bill should be called "The Public Be Damned Act of 1967."

In addition to the minority views, which I share, there are other problems relating to the operation of the Post Office Department, and attempts to correct them were rejected by the committee in its treatment of this legislation.

One is the practice of permitting supervisors to be paid less than those employees they supervise. This is a mockery of efficient management and the Post Office Department is itself derelict in condoning it.

The committee also rejected a proposal to assist, in high cost of living areas, the recruitment and retention of postal employees. I would favor a complete study applied to all Federal employees to determine those areas of the country in which living costs would dictate a special salary rate adjustment.

It is a disservice to the taxpaying public that the inclusion of a salary bill with a postal rate bill prevented a proper discussion of Federal employees' compensation.

Insofar as this section of the legislation is concerned, I see no reason for awarding one category of Federal employees an increase higher than the rest of the workforce. I cannot approve of discrimination against the so-called "classified" employees and suggest that whatever the magic percentage of wage increase is decided, that it be applied to all Government employees.

In an effort to improve a bad bill I intend to offer constructive amendments on the House floor, hoping to help the Department despite their own objections. Specifically, I will offer or support amendments to give the Department needed authority and flexibility in adjusting salary schedules in high cost of living metropolitan areas, such as Chicago. As I have stated, I believe that equity requires an equal salary increase for all employees with necessary corrections of the inequities that have been permitted to develop within the postal salary structure.

I will also offer an amendment by which staff employees of Members of the House of Representatives will be covered by provisions similar to those which govern the salary increases of their Senate counterparts.

It must be emphasized that the bill as produced by the committee is a most imperfect proposal and should not be treated with any sanctity. All amendments to be offered deserve careful consideration and in this instance the floor of the House will be the place to rework this bill into a proper form with emphasis on the public interest and protection of the aggrieved American taxpayer as he patiently waits for long overdue improved mail service.

EDWARD J. DERWINSKI.

MINORITY VIEWS OF JOE POOL

First class and airmail now under the present rates are showing a profit and are operating above 100 percent of cost. I do not think that it is right for this mail to be increased so that it will pay 23 percent more than its allocated cost. If this increase is approved, first-class mail will have sustained a 50-percent increase since 1960. I think the American public is entitled to at least a 50-percent increase in service if they are going to be taxed a 50-percent increase for the handling of the public's mail. The same objection with respect to the right to better service can be made against increases in all other classes of mail.

The House Post Office and Civil Service Committee, Subcommittee on Facilities and Modernization, of which I am chairman, has been conducting investigations and holding hearings attempting to help the Post Office Department provide the facilities for a faster handling of the mail. This modernization is long overdue but we feel that the rate increase is not justified until the Post Office Department has improved its techniques.

One mistake of the bill in my opinion is the delegation of powers over the salaries and pay of certain Federal employees to a commission some members of which are appointed by the President. Under this provision of the bill, the President's authority over not only the Federal employees will be absolute, but also he will have the power of life and death over the salaries of Congressmen. This amounts clearly to a violation of the philosophy of constitutional government that there should be a separation of powers of the coequal branches of the Government, the legislative, judiciary, and the executive.

Under this provision, Members of the Congress, Federal judges, heads of the executive departments and agencies, and other officials will be put directly under the thumb of the President. If Congress fails to take affirmative action, his wishes through his controlled commission will prevail. Those familiar with the legislative process know it is hard to pass legislation in Congress, especially if the administration is opposing it. The President still has the power to recommend legislation under the present laws and this delegation of this unusual power is a direct attack on the power of Congress itself. To accentuate how absurd this provision is in the bill, let it be pointed out that the President himself did not ask for such broad powers over salaries and expenses of Federal judges, Members of Congress, or even his own appointees in the executive branch.

If Congress passes this provision without even a request being made for it, then certainly the present President and future Presidents will interpret this as a mandate from Congress that the Congressmen want no part of fixing salaries and that they are abdicating their role as representatives of the people in the spending of their hard-earned tax money.

I favor proper pay adjustments for Federal employees in 1967, but I cannot vote to usurp the power of the representatives of the people

just to get a pay raise for myself. Congressmen should stand up and be counted and vote against this provision instead of turning it over to some commission largely controlled by the President and leave themselves at the mercy of the President for any crumbs he might throw their way. Also, I do not think that future pay increases should be determined by a President who has yet to be elected.

JOE POOL.

MINORITY VIEWS ON H.R. 7977

CONCLUSIONS AND RECOMMENDATIONS

We believe that the enactment of H.R. 7977 is not in the public interest and that the Congress should reject this legislation. Postal rate increases and pay adjustments for postal and other Federal employees should not be included in the same bill. There is no relationship between the two issues and Congress should not be forced to accept such a proposal.

This supposedly "veto-proof" legislation represents a masterful job of buckpassing between the administration and the majority members of the committee—and with the American public a suffering victim.

As a matter of principle, we believe that the American public should not be saddled with a postage rate increase until we can guarantee this same public an improved and efficient postal service. Unfortunately, this legislation offers no such guarantees.

POSTAL RATE INCREASES

According to the proponents of the bill, title I, which increases postal rates on all classes of mail, provides increased postal revenues of \$884 million annually.

For the first time in the history of the Post Office and Civil Service Committee a general postal rate increase bill of this magnitude was the subject of hearings by only a minority of the members of the committee. In the past hearings on measures of this importance have always been conducted by the full membership of the committee. A subcommittee, composed only of a minority of the members of the committee, conducted hearings, and only 10 members had an opportunity to question the Postmaster General and the mailers and secure information upon which the full committee was to act.

Subcommittee disavows own recommendations

The subcommittee of 10 of the 26 members then brought a postal increase proposal to the full committee and proceeded to disavow its own recommendations. A new bill was written which bears little resemblance to the subcommittee bill. There has been no testimony presented to the full committee membership by the Postmaster General or the users of the mail, with respect to the provisions contained in title I.

Committee procedure marked by confusion

The House Post Office and Civil Service Committee is organized with an elaborate subcommittee structure which was ignored during the processing of this bill. Parliamentary procedure, especially in deliberations on the pay provisions in the bill, was marked by great confusion, with arbitrary termination of discussion the order of the day. Constant lobbying pressure by administration officials and employee union spokesmen produced numerous changes and counter-

changes. The bill which finally emerged from committee is a rate and salary legislative catchall in which the few meritorious features are far outweighed by its controversial and unwise provisions.

Rate burden placed on first-class mail

With respect to the rate increases it should be pointed out that first-class and air mail, now showing a profit, bears the burden of providing over one-half of the increased postal revenues or \$518 million. First-class mail now pays more than its own way and under the bill it will pay 23 percent more than its allocated costs.

If this increase is approved by Congress it simply means that first-class letter mail rates will have been increased 50 percent within a 4-year period. But what is more significant is the fact that there has been a steady deterioration of mail service during the same period of time. And there is not even the slightest indication that this additional revenue will be used to improve the mail service.

We agree with the chairman of the Senate Post Office and Civil Service Committee, Senator A. S. Mike Monroney, when he stated on February 24, 1967:

If we are going to increase the price of the first-class stamp by 20 percent, then the American public is entitled to a similar percentage increase in service.

As a matter of fact, it is interesting to note that on September 21, 1967, the same day the committee approved postal rate increases, the Postmaster General announced the expenditure of nearly \$300 million in the next 9 months for hardware and mechanized equipment, including 16 closed circuit TV systems in an attempt to discover faulty mail handling operations.

The exaggerated claims that these devices or "gimmicks" will improve the postal service is open to serious question.

In ridiculing the Eisenhower administration for similar expenditures, former Deputy Postmaster General H. W. Brawley stated on June 1, 1961:

It does little or no good to move a batch of mail through a post office on conveyor belts—to have it sorted by electronic eyes and canceled by automatic devices—if, at the end of its breathless and eye-catching journey it must wait overnight for the train or the plane which will carry it on its way toward its ultimate destination.

Unnecessary spending should be eliminated

We believe that either with or without a postal rate increase all of the frills and unnecessary domestic Government expenditures should be eliminated, particularly during this critical time of war in Vietnam. The President has said that this is the time for cutting nonmilitary Government expenditures. We agree, so it seems incongruous that the Postmaster General would announce at this time unnecessary expenditures equal to more than one-third of the first year's increased postal revenues.

The other provisions of the postal rate increase portion of the bill are incapable of objective consideration. The newspapers and Post Office Department lobbyists have hammered at the committee members to such an extent that it is impossible to properly evaluate the postal rate increases provided for second-, third-, and fourth-class

mail. Whether these rate increases are excessive or inadequate is impossible to determine due to the fact the bill was rammed through the committee. And at the end of the final session there were a number of amendments proposed by members which did not receive consideration. The confusion which existed and the frustration of a majority of the members of the committee is unbelievable.

Cost ascertainment figures questioned

The rate increases contained in this legislation are based on the cost ascertainment report of the Post Office Department, which is the statement of revenue and cost of handling which is allocated to each class of mail. Time and time again these figures and the method of allocating costs to the various categories of mail were seriously questioned. Many witnesses at the hearings, and in fact many members of the committee, expressed honest concern that the Post Office Department figures are not representative of the true cost of handling each class of mail.

The full committee had no opportunity whatever to study the cost ascertainment figures on which the rate increases are based. We believe that the Department's figures on cost ascertainment should not be blindly accepted and that therefore all rate adjustments are suspect because they are based on questionable and dubious statistics.

We believe that before any postal rate increases are provided the entire mail classification system now in effect should be reviewed by the Post Office and Civil Service Committees of the Congress.

While second-class mailers are not too unhappy with the bill as passed by the committee and third-class mailers are predictably aggrieved, we must note that John Q. Public was unrepresented before the committee. Therefore, first-class mail rates are subject to substantial increases in the bill. It shouldn't be necessary to point out to second-class mailers that as the Post Office deficit again grows the need for a rate increase will reappear in 4 to 6 years and very limited increases will remain to be squeezed out of first- and third-class mail rates. The next go around will find second-class mailers the main target remaining within the postal department rate structure.

The committee confusion was accentuated when the chairman of the Subcommittee on Postal Rates acquiesced to a series of confusing adjustments and reversals of subcommittee recommendations. There were 15 sessions devoted to the rate section of the bill. It is interesting to note that the pay section, which is in its own right controversial and complex, was pushed through the committee in 2½ working sessions.

We believe the House should reject this bill and return it to the Post Office and Civil Service Committee for more complete and objective consideration.

FEDERAL SALARY INCREASES

Title II of the bill provides salary increases for all Federal employees, except so-called "wage-board" employees. Such salary increases apply not only this year but additional annual increases are provided for several years to come.

In his message to the Congress on April 5, 1967, the President made only one specific recommendation. He said, "I recommend a 4.5-percent pay increase for civilian employees effective October 1, 1967."

The proponents of this bill have blown this seemingly modest recommendation, which would have cost the taxpayers \$558 million annually, into a pay increase proposal which by fiscal year 1970 will cost \$2,657 million annually or about five times greater than was requested by the President.

The provisions of this title II, which provide pay increases beyond this year, erroneously assume that the Congress will be incapable of acting on pay adjustments for Federal employees in the future. As a matter of fact, three of the six increases provided for (one for postal employees in April 1969 and two for classified employees in July 1968 and April 1969) are completely undefined in the bill and the authority to determine the amount of such pay increases is delegated to the President without congressional approval.

By reason of the above provisions in the bill it is impossible to predict the real cost of the legislation. We believe it could easily exceed \$3 billion annually when it is fully effective.

Abdication of jurisdiction over salaries not desirable.

Nowhere in the President's message on civilian employee pay increases is there the slightest suggestion that Congress should delegate him such powers. If it is the purpose of the proponents of the bill that Congress shall abdicate its jurisdiction over the salaries and pay of Federal employees the approval of title II will go a long way toward that goal. We do not agree that this is desirable.

The precedent-shattering nature of these provisions of title II is so shocking that we are not certain that the rank and file of Federal employees are aware of their implications. For example, if title II becomes law a simple amendment to that law in the future changing only three dates will extend the President's authority over adjustments for Federal employees forever, and the function of Congress in this area will be eliminated, as it is for the next 3 years under this bill.

The committee action in delegating authority to the President to make pay adjustments for Federal employees based upon the comparability policy established in section 5301 of title 5 of the U.S. Code, is contrary to existing law. Section 5302 of title 5 of the U.S. Code specifically requires the President to submit reports annually to the Congress with respect to bringing Federal employees' salaries in line with comparable pay rates in private enterprise. And section 5302(2)(B) of title 5 of the U.S. Code states specifically: "Such recommendations for revision of statutory pay schedules, pay structures, and pay policy, as he (the President) considers advisable", shall be submitted annually to the Congress. Nowhere in existing law is there provision for the delegation of powers such as are provided in this legislation.

While the committee has insisted on tying Federal salaries, including those of postal employees, with the rate legislation, there is, in fact, little relationship between postal rate increases and increased salary of employees.

Adequate consideration not given pay provisions

Again, we cannot overemphasize the fact that the full committee never adequately considered the pay provisions of this bill. Also we stress that because of the limitations imposed during the consideration of this title, many members were denied the opportunity to offer amendments.

Politics in postal service

In standard labor-management relations, it is an accepted principle that wage increases are in some way related to productivity. This principle has never been adopted in Federal circles. One underlying problem in the operation of the Post Office Department is its complete domination by politics and the use of the Department by politically oriented interests.

It is an open secret that in major post offices, such as in Chicago, assignment, promotion, advancement, and even entrance into the postal field service are made on a political basis. The net result is a frustration of dedicated citizens who have an honest desire to devote their skills and ability to a career in the postal service. Efficient administration would require a stimulus for proper promotion of employees based on merit. The political operation of the Post Office Department discourages this.

In line with this, legislation has been sponsored (among such sponsors are Mr. Gross and Mr. Derwinski) aimed at increasing the efficiency of the Post Office Department by eliminating political activity through appropriate sanctions and revising the term of office of the Postmaster General and other top officials. The Postmaster General has himself suggested creating a non-Government corporate organization to operate the postal service. We should take him at his word and our committee's attention should next be devoted to this possibility.

Powers granted under Quadrennial Commission excessive

The powers granted the President under section 216 of the bill are even more offensive to the public interest, if that is possible. Under this section a Quadrennial Commission is created beginning in 1969 to recommend to the President the pay, expenses, and allowances for Members of Congress, Federal judges, heads and assistant heads of the executive departments and agencies, and other officials. Based upon the Commission's findings, the President is to include his own recommendation to the Congress in his budget with respect to the exact rates of pay and the exact amounts and kinds of expenses and allowances for the Federal officials cited above.

Up to this point such a provision is unnecessary, because indeed the President has the responsibility to recommend legislation which he believes will improve the operations of the Federal Government.

However, section 216 continues by providing that such recommendations by the President shall become effective 30 days after transmittal of the budget unless the Congress by specific action rejects the President's proposal.

A violation of doctrine of separation of powers

We consider this provision of doubtful constitutionality and certainly it is a violation of the time-honored "doctrine of the separation of powers" upon which our system of government is based.

The most precise declaration of the "doctrine of the separation of powers" occurs in the Massachusetts Declaration of Rights of 1780:

In the government of this commonwealth, the legislative department shall never exercise the executive and judicial powers, or either of them: The executive shall never exercise

the legislative and judicial powers, or either of them: the judicial shall never exercise the legislative and executive powers, or either of them: *to the end it may be a government of laws and not of men.*

Again, we say that there is not one scintilla of evidence or testimony that the President desires such broad powers over salaries and expenses of Federal judges, Members of Congress, or even his own appointees in the executive branch.

Moreover, such presidential power over the pay, expenses and allowances of the top officials of our Government could lead to abuse and intimidation. In some future administration, judicial decisions could be influenced, executive branch policies could be altered, decisions of quasi-judicial boards or commissions could be changed and undue pressures could be brought to bear on the Congress if such powers were abused either by the Chief Executive or by his assistants who pretended to speak for him.

We favor proper pay adjustments for Federal employees in 1967, but we do not believe such provisions should be incorporated in this postal rate increase bill.

Further, we believe that such 1967 pay increases for Federal employees should not be jeopardized by including in the same bill provision for future pay increases to be determined exclusively by a President who is yet to be elected.

Blank check commitment is dangerous

There is another alarming aspect to committing the Federal Government to a \$2 billion increase in Federal payroll costs in the next 18 months without further action of the Congress.

The unsettled, uncertain condition of our economy, military commitments and status of our national debt, are such that a blank check commitment of this nature could be extremely dangerous. The times in which we live, if never before, require extreme fluidity in meeting the day-to-day challenges that threaten our entire existence.

Eighteen months from now conditions may be such that we will be calling upon all Americans, including Federal employees, for sacrifices in the national interest. We could very possibly have runaway inflation that would require holding the line everywhere on wage and price increases.

It is interesting to note that in the recent past serious consideration was given to the imposition of mandatory wage and price controls on our Nation's economy, and if such should happen in the future how could we justify writing a blank check now for future wage increases that may be contrary to any situation existing at that time?

It must not be overlooked that the automatic future pay raises called for in this bill all occur in the same fiscal year, and place an unconscionable burden on any budget that any President may submit for that fiscal year.

It is simply unrealistic, if not completely irresponsible, for the Congress to issue a postdated blank check without knowing how much money might be in the bank or what the financial condition might be at the time the check is cashed.

Congress would be relegated to rubber stamp function

Another dangerous feature embodied in title II is its cynical philosophy. These provisions simply mean that Congress should no longer

exercise its constitutional jurisdiction in cooperation with the executive branch, over the pay, expenses, and allowances of Federal employees, generally.

We believe the provisions of title II relegate the Congress to a mere "rubber stamp" function with respect to these matters. We are aware that there are those in high places in the executive branch who for years have deprecated the functions and activities of the Congress. They have sought the power and authority over Federal employees, the Federal courts and the Congress, which would be granted to the executive branch under the provisions of title II.

We hope our colleagues in the House reject this philosophy of Government which destroys the "doctrine of the separation of powers," and we ask that they support us in rejecting the bill, particularly the provisions in title II discussed above.

H. R. GROSS.

EDWARD J. DERWINSKI.

JAMES A. McCLURE.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 39, UNITED STATES CODE

* * * * *

CHAPTER 43.—APPOINTMENT AND ASSIGNMENT OF FIELD SERVICE EMPLOYEES

* * * * *

§ 3301. Personnel requirements

The Postmaster General shall determine the personnel requirements of the postal field service, and fix the number of supervisors and other employees in that service, except that there may not be at any one time more than one assistant postmaster employed at any post office or a total of 55 employees assigned to salary levels [19 and 20] *20 and 21* in the postal field service.

* * * * *

CHAPTER 45.—COMPENSATION IN THE POSTAL FIELD SERVICE

POSITIONS

- Sec.
3501. Ranking of positions.
3502. Appeals to Civil Service Commission.
3511. Key positions.
3512. Positions in salary level 1.
3512A. *Positions in salary level 2.*
3513. Positions in salary level [2] 3.
3514. Positions in salary level [3] 4.
3515. Positions in salary level [4] 5.
3516. Positions in salary level [5] 6.
3517. Positions in salary level [6] 7.
3518. Positions in salary level [7] 8.
3519. Positions in salary level [8] 9.
3520. Positions in salary level [9] 10.
3521. Positions in salary level [10] 11.
3522. Positions in salary level [11] 12.
3523. Positions in salary level [12] 13.
3524. Positions in salary level [13] 14.
3525. Positions in salary level [14] 15.
3526. Positions in salary level [15] 16.
3527. Positions in salary level [16] 17.
3528. Positions in salary level [17] 18.
3529. Positions in salary level [18] 19.
3530. Positions in salary level [19] 20.
3531. Positions in salary level [20] 21.

COMPENSATION AND ALLOWANCES

- 3541. Pay periods and computation of rates.
- 3542. Postal Field Service Schedule.
- 3543. Rural Carrier Schedule.
- [3544. Fourth Class Office Schedule.]**
- 3544. *Compensation of postmasters at fourth-class offices.*

SALARY STEPS AND PROMOTIONS

- 3551. Appointments to positions in the postal field service.
- 3552. Automatic advancement by step-increases.
- 3553. Creditable service for advancement.
- 3554. Compensation of certain temporary employees.
- 3555. Reduction in salary step.
- 3556. Automatic advancement withheld.
- 3557. Automatic advancement of substitute employee deferred.
- 3559. Promotions.
- 3560. Salary protection.

HOURS OF WORK AND OVERTIME

- 3571. Maximum hours of work.
- 3572. Minimum hours of work for hourly rate employees.
- 3573. Compensatory time, overtime, and holidays.
- 3574. Night work.
- 3575. Exemptions.
- 3576. Holiday service of rural carriers and employees assigned to road duty.
- 3577. Workweek of postmasters in post offices of the first, second, and third classes.

SPECIAL PROVISIONS FOR POSTAL TRANSPORTATION AND MOTOR VEHICLE SERVICES

- 3581. Road duty employees.
- 3582. Time credit for delay to trains and highway post offices.

* * * * *

[§ 3512. Positions in salary level 1.

[Janitor. (KP-1).

[(1) Basic function.—Cleans, sweeps, and removes trash from work areas, lobbies, and washrooms.

[(2) Duties and responsibilities.—

[(A) Sweeps and scrubs floors and stairs, dusts furniture and fixtures, cleans washrooms and washes windows (except exterior glass in high buildings).

[(B) Moves furniture and helps erect equipment and fixtures within offices of the building.

[(C) In addition, may perform any of the following duties:

[(i) cleans ice and snow from the sidewalks and drive-ways, and tends the lawn, shrubbery, and premises of the post office;

[(ii) washes walls and ceilings.

[(3) Organizational relationships.—Reports to a foreman or other designated supervisor.]

§ 3512. Positions in salary level 1

Cleaner. (KP-51)

(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

(2) Duties and responsibilities.—

(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms,

lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

§ 3512A. Positions in salary level 2

Custodian. (KP-1)

(1) **Basic function.**—Performs manual laboring duties in connection with custody of an office or building.

(2) **Duties and responsibilities.**—

(A) Performs any combination of the following duties:

1. Moves furniture and equipment.
2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.
3. Loads and unloads supplies and equipment.
4. Removes trash from work areas, lobbies, and washrooms.
5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.
6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

(B) May perform cleaning duties as assigned.

(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

§ 3513. Positions in salary level [2] 3.

(a) **Elevator Operator. (KP-2).**

(1) **Basic function.**—Operates a freight or passenger elevator.

(2) **Duties and responsibilities.**—

(A) Operates elevator.

(B) Cleans cab of elevator and polishes metal fittings.

(C) In addition, may perform any of the following duties:

- (i) pushes handcarts of mail on and off elevator or assists in loading or unloading material carried on elevator;
- (ii) tends the heating plant or performs cleaning duties in the vicinity of the elevator.

(3) **Organizational relationships.**—Reports to an elevator starter or other designated supervisor.

(b) **Order Filler. (KP-3).**

(1) **Basic function.**—Selects, assembles, and makes ready for shipment items requisitioned by postal field establishments.

(2) **Duties and responsibilities.**—

Is assigned any of the following duties:

(A) Separate sheets of the requisition form, fastens copies to clipboards and places on appropriate conveyor line.

(B) Clarifies writing on carbon copies of requisitions in order to minimize errors in filling requisitions.

(C) Sets up and prepares shipping containers.

(D) Places in cartons on conveyor lines the quantities of items requisitioned from an assigned station, indicating action taken opposite each item.

(E) Fills and labels bulk shipping orders and moves bulk material to dispatch area.

(F) Replenishes from stock items stored in individual stations and keeps stations neat and orderly to facilitate filling of requisitions.

(G) Transports bulk and individual shipments on hand trucks.

(H) Assembles materials for each requisition where conveyor lines converge.

(I) Places cartons on assembly table for coordination and packing.

(J) Checks requisition copies and items to assure that proper action has been taken.

(K) Directs items not requiring packing to dispatch area.

(L) Combines shipments to reduce packing.

(M) Transmits bulk slips and shipping labels to the appropriate person.

(N) Labels bulk and individual packages with printed labels to avoid hand labeling.

(O) Prepares labels by use of appropriate rubber stamps.

(P) Seals cartons with stapling machine or tape.

(Q) Packs supplies for shipment.

(R) Stacks and trucks completed orders.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(c) Post Office clerk. (KP-4).

(1) Basic function.—Sorts incoming and dispatches outgoing mail for a small number of points of separation and destination; provides a limited number of services at public windows. This office has fewer than 190 revenue units annually.

(2) Duties and responsibilities.—

(A) Sorts incoming mail for general delivery, lock boxes, and one or more delivery routes.

(B) Postmarks and prepares mail for dispatch by train or other mail route; closes, locks, and affixes labels to pouches and mail sacks.

§ 3514. Positions in salary level [3] 4.

(a) Guard. (KP-5).

(1) Basic function.—Makes rounds of the post office building, and punches clocks at designated stations.

(2) Duties and responsibilities.—

(A) Patrols buildings, punching watchman's clock where furnished, checking door and window locks, noting and reporting fire hazards and other irregularities, such as running water and unclosed doors and windows.

(B) Sounds fire alarm.

(C) Preserves order in corridors and, when necessary, detains persons for interrogation by post-office inspectors or local police.

(D) In addition may perform any of the following duties:

(i) Gives directions to the public in building lobby.

(ii) Raises and lowers the flag.

(iii) Retrieves lost and found articles and delivers them to the appropriate place.

(iv) Obtains names of victims, doctors, police, and witnesses in the event of accident.

(v) Guards property entrances and prevents damage to property by the public.

(vi) Tends the heating plant of the building.

(vii) Operates elevators on a relief basis.

(viii) Does incidental cleaning and laboring work.

(3) Organizational relationships.—Reports to a lieutenant of the guard, a building superintendent, or other designated supervisor.

(b) File Clerk. (KP-6).

(1) Basic function.—Sets up and maintains files on one or more subject matters.

(2) Duties and responsibilities.—

(A) Prepares new file folders and maintains existing folders in correct order as prescribed in the established filing system.

(B) Transmits folders or information contained therein to authorized personnel (for example, forwards personnel folders to requesting supervisors, or copies data from folders to satisfy requests).

(C) Opens, sorts, and searches file material, and maintains files in up-to-date condition.

(D) In addition, may perform any of the following duties:

(i) Types from rough draft or plain copy.

(ii) Answers telephones.

(iii) Prepares requisitions for supplies.

(iv) Operates a mimeograph machine.

(3) Organizational relationships.—Reports to a designated supervisor.

(c) Typist. (KP-7).

(1) Basic function.—Types material such as forms, correspondence, and stencils from rough draft or plain copy.

(2) Duties and responsibilities.—

(A) In accordance with instructions and information furnished by supervisors, types forms, standard reports, and documents such as invitations to bid, orders, contracts, invoices, personnel actions and related materials.

(B) Types correspondence and memoranda from rough drafts or general information.

(C) Cuts stencils for instructions, circulars, and other general uses.

(D) In addition, may perform any of the following duties:

(i) Transcribes from a dictating machine.

(ii) Operates a mimeograph machine.

(iii) Files, checks requisitions, prepares vouchers, and answers the telephone.

(3) Organizational relationships.—Reports to a designated supervisor.

(d) Mail Handler. (KP-8).

(1) Basic function.—Loads, unloads, and moves bulk mail, and performs other duties incidental to the movement and processing of mail.

(2) Duties and responsibilities.—

(A) Unloads mail received by trucks. Separates all mail received by trucks and conveyors for subsequent dispatch to other conveying units, and separates and delivers working mails for delivery to distribution areas.

(B) Places empty sacks or pouches on racks, labels them where labels are prearranged or racks are plainly marked, dumps mail from sacks, cuts, ties, faces letter mail, carries mail to distributors for processing, places processed mail into sacks, removes filled sacks and pouches from racks, closes and locks same. Picks up sacks, pouches and outside pieces, separates outgoing bulk mails for dispatch and loads mail onto trucks.

(C) Handles and sacks empty equipment, inspects empty equipment for mail content, restrings sacks.

(D) Cancels stamps on parcel post, operates canceling machines, carries mail from canceling machine to distribution cases.

(E) Assists in supply and slip rooms and operates addressograph, mimeograph, and similar machines.

(F) In addition, may perform any of the following duties:

(i) Acts as armed guard for valuable registry shipments and as watchman and guard around post office building.

(ii) Makes occasional simple distribution of parcel post mail requiring no scheme knowledge.

(iii) Operates electric fork-lift trucks.

(iv) Rewraps soiled broken parcels.

(v) Performs other miscellaneous duties, such as stamping tickets, weighing incoming sacks, cleaning and sweeping in workrooms, offices, and trucks where such work is not performed by regular cleaners.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(e) Garageman. (KP-9).

(1) Basic function.—Performs a variety of routine services incidental to the proper maintenance of motor vehicles.

(2) Duties and responsibilities.—

(A) Lubricates trucks in accordance with lubrication charts and type of truck.

(B) Changes crankcase oil and filter cleaners and cleans case in conformance with instructions and vehicle mileage.

(C) Changes tires and makes necessary repairs.

(D) Washes and steam-cleans trucks.

(E) Assists automotive mechanics.

(F) Fuels and oils trucks.

(G) Cleans garage, garage office, swing room, and washroom, as assigned.

(3) Organizational relationships.—Reports to a foreman of mechanics or other designated supervisor.

§ 3515. Positions in salary level [4] 5.

(a) Motor Vehicle Operator. (KP-10).

(1) Basic function.—Operates a mail truck on a regularly scheduled route to pick up and transport mail in bulk.

(2) Duties and responsibilities.—

(A) Picks up and delivers bulk quantities of mail at stations, branch offices, and terminal points; as required, picks up mail from collection boxes and deposits mail in relay boxes.

(B) Operates truck in conformity with time schedules and rules of safety, and in accordance with instructions regarding the route for which responsible.

(C) Ascertains the condition of the truck prior to leaving and upon returning to the garage; reports all accidents, mechanical defects noted, and mechanical failures while on route.

(D) In addition, may perform any of the following duties:

(i) Drives a tractor and semitrailer on occasion, unloading bagged mail and packages at post offices and picking up mail for delivery to a central point.

(ii) Prepares daily trip reports showing work performed.

(iii) Makes minor mechanical repairs to truck in emergencies while on route.

(3) Organizational relationships.—Reports to a superintendent of motor vehicles or other designated supervisor.

(b) City or Special Carrier or Special Delivery Messenger. (KP-11).

(1) Basic function.—Is responsible for the prompt and efficient delivery and collection of mail on foot or by vehicle under varying conditions in a prescribed area within a city. As a representative of the postal service, maintains pleasant and effective public relations with route patrons and others, requiring a general familiarity with postal laws, regulations, and procedures commonly used, and with the geography of the city.

(2) Duties and responsibilities.—

(A) Routes or cases all classes of mail in sequence of delivery along an established route. Rearranges and relabels cases as required by route adjustments and changes in deliveries.

(B) Withdraws mail from the distribution case and prepares it in sequence for efficient delivery by himself or a substitute along an established route. Prepares and separates all classes of mail to be carried by truck to relay boxes along route for subsequent delivery.

(C) Enters change of address orders in change of address book and on appropriate form. Readdresses mail to be forwarded and marks for appropriate handling other mail addressed to route patrons who have moved. Sorts such mail into throw-back case for convenient handling by clerks.

(D) Delivers mail along a prescribed route, on a regular schedule, picking up additional mail from relay boxes. Collects mail from street letter boxes and accepts letters for mailing from patrons. Such service may be rendered on foot or by vehicle and in some instances may consist exclusively of parcel post delivery or collection of mail.

(E) Delivers and collects charges on customs, postage-due, and c.o.d. mail matter. Delivers and obtains receipts for registered and certain insured mail. Receipts for such matter, except insured mail, at the post office before beginning route and accounts for it upon return by payments of the amounts collected and delivery of receipts taken.

(F) Deposits mail collected in the post office upon return from route; faces such mail for stamp cancellation.

(G) Checks, and corrects if necessary, mailing cards presented by advertisers bearing names and addresses of patrons or former patrons of the route.

(H) Furnishes patrons with postal information when requested, and provides change of address cards and other postal forms as requested.

(I) Reports to supervisor all unusual incidents or conditions relating to mail delivery, including condition of street letter boxes and timecards.

(J) Regular city carriers assigned to foot delivery routes are required to become proficient in the casing of mail on at least one other foot delivery route.

(K) Substitute city carriers may be assigned to perform clerical duties and may be required to pass examinations on schemes of city primary distribution.

(L) Special delivery carriers and special delivery messengers receive special delivery mail for delivery and sign c.o.d. and registered items at post office before beginning route; delivery on foot and by vehicle special delivery mail to patrons; obtain signatures when required; collect amounts and fees on c.o.d.'s; in case of absent patrons, exercise judgment in determining whether to leave mail or leave notice and return mail to post office; return receipts and moneys collected to authorized personnel at post office.

(M) In addition, may perform any of the following duties:

(i) Checks hotels and other such establishments to insure that mail for residents undeliverable as addressed is not improperly held.

(ii) Delivers stamps or other paper supplies to contract or classified stations.

(iii) Serves at carriers' delivery window.

(iv) Receives and registers, where practical, all letters and packages of first class mail properly offered for registration and gives receipt therefor.

(v) Makes delivery on other routes as assigned.

(3) Organizational relationships.—Reports to a postmaster or assistant postmaster, or other designated supervisor.

(c) Distribution Clerk. (KP-12).

(1) Basic function.—Separates mail in a post office, terminal, airmail field, or other postal facility in accordance with established schemes, including incoming or outgoing mail or both.

(2) Duties and responsibilities.—

(A) Makes primary and one or more secondary distributions of incoming mail by delivery point (for example, classified or contract station or branch or other delivery unit, general delivery, lockboxes, rural or star route, or city carrier route) based on a knowledge of the distribution scheme established for that office.

(B) Makes primary and one or more secondary distributions of outgoing mail for dispatch (for example, by city, State, region, train, highway or railway post office, or airmail flight) based on a knowledge of the distribution scheme prescribed by the Postal Transportation Service.

- (C) In addition, may perform any of the following duties:
- (i) Maintains records of mails.
 - (ii) Examines balances in advance deposit accounts.
 - (iii) Faces and cancels mail.
 - (iv) Ties mail and inserts facing slips.
 - (v) Opens and dumps pouches and sacks.
 - (vi) Operates cancelling machines.
 - (vii) Records and bills mail (for example, c.o.d., registered, and so forth) requiring special services.
 - (viii) Renders service at public windows.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(d) Window Clerk. (KP-13).

(1) Basic function.—Performs a variety of services at a public window of a post office or post office branch or station. As a representative of the postal service, maintains pleasant and effective public relations with patrons and others requiring a general familiarity with postal laws, regulations, and procedures commonly used.

(2) Duties and responsibilities.—

(A) Sells postage stamps, stamped paper, cards, internal revenue stamps, migratory bird stamps, and postal savings stamps and certificates.

(B) Accepts from and, after proper identification, delivers to patrons parcel post, insured, c.o.d., and registered mail; makes collection of required postage, issues necessary receipts, and issues general-delivery mail to patrons.

(C) Verifies second-, third-, and fourth-class mailings, computing and maintaining on a current basis mailers' credit balances.

(D) Assigns special delivery and registered mail for delivery.

(E) Checks and sets post office stamp-vending machines, postage meters, and large mailers' stamp permit meters.

(F) Receives, follows up, and recommends action on patrons' claims and complaints.

(G) Issues and cashes foreign and domestic money orders and postal savings certificates.

(H) Rents post-office boxes, receives rental payments, conducts reference checks, and completes related forms.

(I) Provides information to the public concerning postal regulations, mailing restrictions, rates, and other matters involving postal transactions.

(J) In addition, may perform any of the following duties:

- (i) Makes emergency carrier relays.
- (ii) Assists in alien registration and census matters.
- (iii) Separates and distributes mail.

(3) Organizational relationships.—Reports to a postmaster, assistant postmaster, or other designated supervisor.

§ 3516. Positions in salary level [5] 6.

(a) Automotive Mechanic. (KP-14).

(1) Basic function.—Repairs mail trucks, including the removal and installation of complete motors, clutches, transmissions, and other major component parts.

(2) Duties and responsibilities.—

(A) Diagnoses mechanical and operating difficulties of vehicles, repairing defects, replacing worn or broken parts.

(B) Adjusts and tunes up engines, cleaning fuel pumps, carburetors, and radiators; regulates timing, and makes other necessary adjustments to maintain in proper operating condition trucks that are in service.

(C) Repairs or replaces automotive electrical equipment such as generators, starters, ignition systems, distributors, and wiring; installs and sets new spark plugs.

(D) Conducts road tests of vehicles after repairs, noting performance of engine, clutch, transmission, brakes, and other parts.

(E) Operates standard types of modern garage testing equipment.

(F) In addition, may perform any of the following duties:

(i) Removes, disassembles, reassembles, and installs entire engines.

(ii) Overhauls transmission, rear end assemblies, and braking systems.

(iii) Straightens frames and axles, welding broken parts where required.

(iv) Makes road calls to make emergency repairs.

(v) Makes required truck inspections.

(3) Organizational relationships.—Reports to a foreman of mechanics or other designated supervisor.

(b) Transfer Clerk. (KP-15).

(1) Basic function.—Arranges for transfer of mail at junction points between trains and other mail units and observes the separation, loading and unloading of mail by railroad employees to make certain that this is done properly.

(2) Duties and responsibilities.—

(A) Provides for the most expeditious transfer of mail from observations of the operation of trains, star route, or mail messenger vehicles. Government-owned vehicles and platform vehicles.

(B) Examines outgoing and incoming cars to determine maximum utilization of space and proper adherence to railroad safety requirements; reports findings, when necessary, to the district superintendent.

(C) Decides whether outbound cars in full authorizations should be held beyond the first available dispatches in order to obtain fuller loading and maximum utilization of the space paid for, making certain that this will not unduly delay the arrival of the mail at destination.

(D) Studies the routing and loading of mail dispatched from his station in storage cars in order to recommend changes which would bring about economies in line haul and terminal charges and effect earlier arrival. Gives similar attention to incoming mail to assure that dispatching divisions are using best routing and loading methods; reports facts to the district superintendent.

(E) Maintains close liaison with foremen of appropriate incoming and outgoing trains and vehicles to assure prompt receipt and expeditious dispatch of mail.

(F) Keeps informed on local holding orders for each outgoing dispatch and requests that departure of unit within these limitations be withheld when scheduled connections are delayed.

(G) Prepares list of railroad cars (except railway post office cars) in which mail is loaded, and maintains record of mail

loaded and unloaded in outgoing and incoming trains. Serves notice on railroad company to cancel operation and purchases lesser storage unit in its place when necessary. Prepares official diagram and appropriately labels outgoing cars to indicate destination or next relay point.

(H) Inspects the loading and unloading of storage mail to secure individual piece count of lesser storage units (thirty feet and less); estimates volume when more than thirty feet.

(I) Observes and reports to designated supervisor any failure of the railroad company to afford protection for the mail.

(J) Qualifies periodically through examination on knowledge of distributing schemes, postal regulations, space rules, and train connections.

(K) In addition, may perform any of the following rules:

(i) Receipts for, transfers, and delivers registered mail between trains or between train and post office.

(ii) Distributes mail prescribed for distribution in transfer office.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(c) Distribution Clerk, R.P.O. or H.P.O. (KP-16).

(1) Basic function.—Distributes mail in railway or highway post office prior to departure and while en route.

(2) Duties and responsibilities.—

(A) Determines the fastest or most expeditious dispatch of mail from the standpoint of assignment. In emergencies, such as floods, storms, wrecks, strikes, and missed connections, redistributes the mail so as to reach destination by the most expeditious alternative means, for example, by other railway post office or highway post office, airmail route, or star route.

(B) Distributes mail rapidly into letter case or pouches and sacks.

(C) Hangs pouches and sacks in racks and places labels in holders provided; labels letter cases in accordance with official diagram.

(D) Prepares mail for dispatch, involving labeling and tying of letter mail in packages for distribution in pouches, closing and locking sacks and pouches, and maintenance of proper separations for connections en route.

(E) In addition, may perform any of the following duties:

(i) Receives and dispatches mail en route.

(ii) Unloads mail and equipment at terminal of run.

(iii) Examines car to ascertain that no mail is left.

(iv) Convoys registered mail to post office and connecting lines.

(F) Qualifies through examination periodically on knowledge of distributing schemes, postal regulations, space rules, and train schedules.

(3) Organizational relationships.—Reports to a foreman in charge of the railway post office car or highway post office.

(d) Claims Clerk, Paying Office. (KP-17).

(1) Basic functions.—Examines claims for loss or damage of insured or c.o.d. mail and determines and approves for payment the amount found to be due under postal regulations.

(2) Duties and responsibilities.—

(A) Receives and reviews prescribed claim papers to ascertain whether:

(i) All necessary items of the appropriate claim form have been properly completed.

(ii) Proof of value has been properly determined.

(iii) Appropriate check has been made of applicable records.

(iv) Other necessary information has been supplied.

(B) Determines whether amount of claim exceeds amount of loss and the proper amount payable is within the limits of the indemnity.

(C) Conducts necessary correspondence in connection with the claim.

(D) Approves amount to be paid, and directs disposition of damaged articles.

(E) Maintains prescribed record of claims.

(3) Organizational relationships.—Reports to an assistant postmaster or other designated supervisor.

(e) Postmaster. (KP-18).

(1) Basic function.—Is responsible for all operations of a small post office, including actual performance of mail processing and window service, disbursement of funds and preparation of required reports. This office has no employees other than the postmaster and a replacement to serve during his leave; has approximately 40 revenue units annually; has no rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Conducts the activities of the office in such manner as to provide prompt and efficient postal service to the patrons of the office.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

(D) At a window delivers general delivery mail, issues and cashes money orders, delivers c.o.d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(E) Prepares and submits estimates of operating allowances as required.

(F) Makes deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills.

(G) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(H) Maintains files for the office.

(3) Organizational relationship.—Administratively responsible to a district manager.

§ 3517. Positions in salary level [6] 7.

(a) Claims Clerk, Common and Contract Carriers. (KP-19).

(1) Basic function.—Audits carriers' claims for the transportation of mail to insure their accuracy and correctness of form prior to certifying them for payment.

(2) Duties and responsibilities.—

(A) Checks original or draft of claims submitted by carriers using space procurement data, records of air carrier flights and weight allocations, reports of railroad space utilization, emergency space procured, and other pertinent reports and data submitted by the districts.

(B) Corrects errors in drafts of claims and returns them to the carrier for resubmission in final corrected form.

(C) Expedites the processing of claims by continuous coordination with the carriers to minimize the incidence of error on claims submitted.

(D) Rechecks resubmitted claims prior to certifying them for payment.

(E) Maintains records pertinent to carrier claims such as unscheduled air carrier flights, weight allocations for mail on flights of air carriers, and air line flight schedules.

(F) Accumulates data and prepares periodic and special reports on subjects related to the purchase and use of railroad space, and air carrier weight allocation.

(3) Organizational relationships.—Reports to the supervisor in charge of the fiscal section in a Postal Transportation Service division office or other designated supervisor.

(b) Postmaster. (KP-20).

(1) Basic function.—Is responsible for all operations of a post office, including actual performance of mail processing and window services, disbursement of funds and preparation of required reports. This office has one part time clerical employee; has approximately 110 revenue units annually; has no rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises and conducts the activities of the office in order to provide prompt and efficient postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations.

(D) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

(E) At a window delivers general delivery mail, issues and cashes money orders, delivers c.o.d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(F) Makes required deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills and makes salary disbursements.

(G) Prepares and submits annual estimates of manpower needs and operating allowances as required.

(H) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(I) Maintains files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3518. Positions in salary level [7] 8.

(a) Foreman, Mails. (KP-21).

(1) Basic function.—Supervises a group of employees engaged in carrying out assigned tasks connected with the processing of incoming or outgoing mail.

(2) Duties and responsibilities.—

(A) Lays out work for employees; insures attendance to duties and proper performance of assignments; shifts employees from one assignment to another to meet fluctuations in workload; answers questions respecting work progress.

(B) Trains new employees and provides continuous on-the-job training for all employees under his supervision.

(C) Reports unusual difficulties to a general foreman and suggests solutions. Personally resolves problems of a routine nature.

(D) Keeps required records for such matters as time, mail on hand, and mail processed.

(E) Recommends personnel actions respecting subordinates; maintains morale among the employees in the group; adjusts complaints; supplies leadership necessary to secure maximum interest and effort from men and promotes cooperation and harmony.

(3) Organizational relationships.—Administratively responsible to a general foreman or other designated superior. Supervises approximately twenty or more employees.

(b) Postmaster. (KP-22).

(1) Basic function.—Is responsible for all operations of a post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has two clerical employees and approximately 140 revenue units annually, and rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by the Department and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees and is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window services; issues and cashes money orders; delivers c.o.d. and customs mails; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3519. Positions in salary level [8] 9.

(a) General Foreman.—R.P.O. (KP-23).

(1) Basic function.—Directs mail service operations in a railway post office train with two or more authorized cars. Supervises a crew of foremen and clerks whose primary function is the distribution and exchange of mails en route.

(2) Duties and responsibilities.—

(A) Provides for the proper distribution, exchange, and dispatch of mail regularly assigned for handling in the railway post office cars. Makes decisions concerning the most expeditious dispatch, rerouting and utilization of alternative connections involving irregularly received mail and also in emergency situations.

(B) Directs mail service operations in the railway post office train including:

(i) Rapid distribution of all classes of mail in accordance with official diagrams and via most advantageous routing.

(ii) Handling, recording, and protection of registered mails.

(iii) Makeup and exchange of mail at intermediate and terminal offices.

(iv) Proper utilization of space in each railway post office car with relation to other storage space in train and, except as charged to transfer clerks, for proper handling of all storage mail in train.

(v) Loading and unloading of railway post office cars to assure maximum use of available storage space without additional cost.

(vi) Proper usage of mail equipment and supplies.

(vii) Maintenance of distribution schemes and schedules of mail routes in corrected condition.

(C) Supervises the activities of foremen and clerks in the cars and reassigns them to various duties as may be required to complete maximum distribution. Instructs clerks on proper practices and procedures and reports failures to meet operating standards to the district superintendent.

(D) Inspects condition of railway post office cars and reports to the railroad company unsatisfactory situations.

(E) Completes trip report form covering service operations, including particulars of train operation, roster of clerks on duty, mails received, worked, and dispatched, and mails not worked;

prepares a list of all cars on train in which mail is carried, a record of the mail, and a report of any irregularities in service. Observes and reports to district superintendent any failure of the railroad company to afford protection to the mail.

(F) May personally distribute letter mail for one or more States, and maintain record of pouches received and dispatched.

(3) Organizational relationships.—Administratively responsible to a district superintendent or other designated superior. Directs, through one or more subordinate foremen, clerks assigned to the run.

(b) Assistant postmaster. (KP-24).

(1) Basic function.—Serves as the overall assistant to the postmaster, providing general direction and supervision over mails, finance, personnel, and other related activities. This office has approximately sixteen employees, approximately 1,490 revenue units annually, and eight carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate employees in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-25).

(1) Basic function.—Is responsible for all operations of a post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has approximately six employees, approximately 380 revenue units annually, and has rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises and coordinates the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees; is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window service; issues and cashes money orders; delivers c.o.d. and customs mails; accepts and delivers parcel post, registered and insured mail, sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3520. Positions in salary level [9] 10.

(a) General Foreman, Mails. (KP-26).

(1) Basic function.—Directs foreman in the distribution of all or part of incoming mails, outgoing mails, or both, at a first class post office.

(2) Duties and responsibilities.—

(A) Lays out work for foremen at the beginning of a tour and issues instructions.

(B) Oversees work in progress to prevent accumulation of mail.

(C) Insures that mail is distributed in accordance with established orders and instructions.

(D) Shifts men from one foreman to another to keep mails moving.

(E) Reports difficulties and suggests corrective measures to superior.

(F) Maintains required records.

(G) Assures that adequate on-the-job training is carried out to promote employee proficiency.

(H) Reviews and forwards recommendations of foremen respecting discipline, promotions, or changes in assignments; approves time and leave requests; submits manpower estimates.

(3) Organizational relationships.—Administratively responsible to a superintendent or assistant superintendent or other designated superior. Directs, through approximately four foremen, employees as assigned.

(b) Postmaster. (KP-27).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately sixteen employees, approximately 1,490 revenue units annually, and city delivery service consisting of eight carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local banks; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3521. Positions in salary level [10] 11.

(a) Building Superintendent. (KP-28).

(1) Basic function.—Directs the janitorial, maintenance, and operating services of a large post office building and branches and stations covering an aggregate area of approximately 700,000 square feet, including security, heating and ventilating, mechanical and electrical equipment, and elevator services.

(2) Duties and responsibilities.—

(A) Plans and prepares work schedules and supervises the custodial forces in cleaning, heating, guarding, operating, and repairing the post office building and equipment.

(B) Makes frequent inspections to determine maintenance needs of the building and equipment, and to determine the efficiency of the janitorial and maintenance force.

(C) Prepares and answers correspondence relating to custodial service.

(D) Plans and supervises maintenance or alteration work under contract.

(E) Supervises the office force in the preparation of vouchers, requisitions, and reports incidental to custodial service, and in the maintenance of required accounts and records.

(F) Recommends transfers, promotions, and disciplinary measures for custodial personnel.

(G) Inspects mechanical equipment to determine repair needs and adherence to standards of preventive maintenance.

(3) Organizational relationships.—Administratively responsible to the postmaster or other designated superior. Directs, through a general foreman of laborers and a chief engineer, approximately 100 employees, including electricians and other skilled trades.

(b) Postmaster. (KP-29).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately twenty-seven employees, approximately 3,060 revenue units annually, and eleven city delivery and rural carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees; and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular

maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3522. Positions in salary level [11] 12.

(a) Tour Superintendent, Incoming or Outgoing Mails. (KP-30).

(1) Basic function.—Directs general foremen in the distribution of incoming mails or outgoing mails on a tour at a large first class post office.

(2) Duties and responsibilities.—

(A) Provides for the prompt and complete operation of a tour activity, such as incoming mails, outgoing mails, or all first and third class outgoing mails.

(B) Reassigns employees as necessary to meet peakload demands; provides direction to subordinate foremen, coordinating the portions of work assigned to them.

(C) Answers questions of subordinate foremen regarding operating problems; refers policy questions to his superior with appropriate recommendations.

(D) Reviews requests for personnel actions by subordinate foremen, recommending final action to superior.

(E) Reviews estimates of manpower required, consolidating for recommendation to superior.

(3) Organizational relationships.—Administratively responsible to an assistant superintendent of mails or other designated superior. Directs, through general foremen, employees assigned to the tour.

(b) Postmaster. (KP-31).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately fifty-three employees, approximately 7,450 revenue units annually, six Government-owned vehicle units, no classified stations, and twenty-five city and rural delivery routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees; and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares numerous reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3523. Positions in salary level [12] 13.

(a) Postal Inspector. (KP-32).

(1) Basic function.—Is responsible in an assigned territory, usually including all classes of post offices, for inspection and investigative programs covering all phases of the postal service. In heavily populated areas may be assigned a majority of the time to selected types of work as determined by the inspector-in-charge.

(2) Duties and responsibilities.—Assigned territory.—

(A) Inspects post offices and related postal units to insure compliance with postal laws and regulations, protection and proper expenditure of postal revenues and appropriated funds, and evaluates and reports to administrative officials on operational efficiency.

(B) Maintains close working relationship with regional officials and submits to them factual information and recommendations on conditions and needs of the postal service; acts as counselor to postmasters and other postal officials and employees in explaining instructions, regulations, applicable laws and decisions.

(C) Investigates violations of postal laws, including, but not limited to, armed robbery, mailing of bombs, burglary, theft of mail, embezzlements, obscene literature and pictures, and mail fraud.

(D) Determines the validity and seriousness of charges against postmasters and other officers and employees and makes pertinent recommendations.

(E) Investigates local and area operating problems and recommends corrective action, and within his prescribed jurisdiction, initiates necessary corrective action, including restoration of service immediately in disaster areas caused by hurricanes, tornadoes, floods, and other catastrophes.

(F) Maintains liaison activities (i) with military installations to insure adequate postal service for the military forces; (ii) with Federal and State civil defense authorities at the area level; (iii) with branches of Federal and State law enforcement agencies.

(G) Ascertains postal needs for post offices and stations, rural and city delivery, changes in schedules, quarters, equipment, manpower and procedures and reports findings and recommendations to appropriate officials.

SELECTED CASES.—

(H) Investigates the loss, theft, destruction, and damage to mail matter through technical analyses of complaints and other specialized procedures.

(I) Investigates money-order forgeries; investigates complaints of use of the mails to defraud and to operate lotteries.

(J) Investigates personal injuries, motor-vehicle and other accidents; develops evidence for defense of suits under the so-called Federal Tort Claims Act; recommends out-of-court settlements.

(K) In any criminal investigation, develops evidence, locates witnesses and suspects; apprehends and effects arrests of postal offenders, presents facts to United States attorney, and collaborates as required with Federal and State prosecutors in presentation before United States commissioner, grand jury, and trial court.

(L) Surveys postal service on an area basis to ascertain and recommend ways of improving service and effecting economies.

(M) Makes investigations of a variety of other matters and performs related duties as assigned.

(3) Organizational relationships.—Responsible to the inspector-in-charge or the assistant inspector-in-charge of the division. Supervises trainees and other inspectors as assigned.

(b) Postmaster. (KP-33).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services. This office has approximately 110 employees, approximately 14,350 revenue units annually, 13 government-owned vehicle units, one classified station and 42 carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3524. Positions in salary level [13] 14.

(a) Station Superintendent, Large Classified Station. (KP-34).

(1) Basic function.—Directs the operations of a large classified station, including the distribution, delivery, and dispatch of mail and all required window services to the public.

(2) Duties and responsibilities.—

(A) Plans and supervises the distribution of incoming and outgoing mails, the delivery service, including special delivery, and the dispatch of outgoing mail.

(B) Supervises services to the public at windows, including sales of stamps and stamped paper, money orders, postal savings stamps and certificates, migratory and documentary stamps, registry and insurance of mail; handling of c.o.d. items; general delivery and box mail.

(C) Supervises city and rural carriers and determines that delivery schedules are maintained; consults in the adjustment and establishment of routes to reflect changes in volume, patronage, or population; and recommends establishment or changes in location of collection boxes.

(D) Directs and maintains required records for personnel of station; verifies and approves timecards for payroll purposes; makes manpower estimates and reports; trains new supervisors and employees in various aspects of station operations.

(E) Requisitions supplies and equipment, stamps, stamped paper, and accountable forms from main post office, reissuing to subordinates as required. Is responsible for entire fixed credit of station and for operation within the allowance granted.

(F) Maintains effective relations with large mailers and the public; simplifies handling of mail, and takes appropriate action to meet complaints.

(G) In addition, may perform any of the following duties:

(i) Supervises the cleaning and custodial maintenance of the station building.

(ii) Makes necessary arrangements for special services such as alien registrations, special census reports, or handling of special purpose mailing.

(3) Organizational relationships.—Administratively responsible to a superintendent of mails or other designated superior. Directs, through subordinate supervisors, approximately one thousand or more employees.

(b) Assistant postmaster. (KP-35).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. The office has approximately four hundred and fifty employees, approximately 64,000 revenue units annually, fifty Government-owned vehicle units, one classified station or branch, and one hundred and thirty carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of postoffice personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction by key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-36).

(1) Basic function.—Is responsible for all operations of a post office, including the direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately one hundred and eighty employees, approximately 23,700 revenue units annually, twenty-one Government-owned vehicle units, three classified stations, and sixty-five carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organize the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3525. Positions in salary level [14] 15.

(a) Assistant postmaster. (KP-37).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately one thousand and two hundred employees, approximately 200,000 revenue units annually, one hundred and seventeen Government-owned vehicle units, sixteen classified stations and branches, and two hundred and ninety carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationship with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(b) Postmaster. (KP-38).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately four hundred and fifty employees, approximately 64,000 revenue units annually, fifty Government-owned vehicle units, one classified station or branch, and one hundred and thirty carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3526. Positions in salary level [15] 16.

(a) Assistant postmaster. (KP-39).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately three thousand two hundred employees, approximately 400,000 revenue units annually, two hundred Government-owned vehicle units, thirty-four classified stations and branches, and one thousand carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of postoffice personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(b) Postmaster. (KP-40).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately seven hundred employees, approximately 106,000 revenue units annually, seventy-seven Government-owned vehicle units, eight classified stations and branches, and two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3527. Positions in salary level [16] 17.

(a) General Superintendent, PTS Division. (KP-41).

(1) Basic function.—Directs all activities of a division of the Postal Transportation Service of average size and complexity in terms of numbers of employees and in expenditure of funds, or in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

(2) Duties and responsibilities.—

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail handling and transportation, schedules, security of mail in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, airmail fields, terminals, railway post office lines, highway post office lines, and contract carriers such as star routes and mail messenger routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

(3) Organizational relationships.—Administratively responsible to a regional director. Directs, through an assistant and district superintendents, up to three thousand three hundred employees.

(b) Assistant postmaster. (KP-42).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately eight thousand employees, approximately 1,000,000 revenue units annually, four hundred Government-owned vehicle units, fifty classified stations and branches, and one thousand four hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) **Postmaster. (KP-43).**

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately one thousand two hundred employees, approximately 200,000 revenue units annually, one hundred and seventeen Government-owned vehicle units, sixteen classified stations and branches, and two hundred and ninety carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3528. Positions in salary level [17] 18.

(a) General Superintendent, Largest PTS Division. (KP-44).

(1) Basic function.—Directs all activities of one of the largest divisions of the Postal Transportation Service in terms of numbers of employees and in expenditure of funds, as well as in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

(2) Duties and responsibilities.—

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail handling and transportation schedules, security of mails in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, air mail fields, terminals, railway and post office lines, highway post office lines, and contract carriers such as star routes and mail messengers routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

(3) Organizational relationships.—Administratively responsible to a regional director. Directs, through an assistant and district superintendents, approximately three thousand three hundred or more employees.

(b) Assistant postmaster. (KP-45).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately twenty thousand employees, approximately 2,500,000 revenue units annually, one thousand one hundred Government-owned motor-vehicle units, sixty-six classified stations and branches, and three thousand two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-46).

(1) Basic function.—Is responsible for all operations of a first class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately three thousand two hundred employees, approximately 400,000 revenue units annually, two hundred Government-owned vehicle units, thirty-four classified stations and branches, and one thousand carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships—Administratively responsible to a regional director or other designated superior.

§ 3529. Positions in salary level [18] 19.

Postmaster. (KP-47).

(1) Basic function.—Is responsible for all operations of a large post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately eight thousand employees, approximately 1,000,000 revenue units annually, four hundred Government-owned vehicle units, fifty classified stations and branches, and one thousand four hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3530. Positions in salary level [19] 20.

Postmaster. (KP-48).

(1) Basic function.—Is responsible for all operations of one of the largest offices, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately twenty thousand employees, approximately 2,500,000 revenue units annually, one thousand one hundred Government-owned vehicle units, sixty-six classified stations and branches, and three thousand two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director.

§ 3531. Positions in salary level [20] 21.

Regional Director. (KP-49).

(1) Basic function.—Directs the management of all postal activities within the jurisdiction of an assigned region in accordance with basic departmental policies and with functional direction and guidance from Assistant Postmasters General.

(2) Duties and responsibilities.—

(A) Develops and formulates policies and practices for the region within basic policies and instructions of the Postmaster General.

(B) Manages post office operations.

(C) Administers routing, distribution, and transportation of mail within and in transit through the region.

(D) Arranges for the provision of adequate facilities and equipment for all postal functions in the region.

(E) Administers the personnel program of the region, including employment, placement, training, evaluation of positions, employee relations, and other personnel functions.

(F) Authorizes and issues allowances for all expenditures and exercises budgetary controls.

(G) Administers cost reduction programs and provides industrial engineering services to operating segments of the region.

(H) Maintains effective public relations with the general public, large mail users, and with Federal, State, and municipal authorities.

(3) Organizational relationships.—Administratively responsible to the Deputy Postmaster General. Directs, through subordinate officials approximately thirty thousand to thirty-five thousand employees in some three thousand offices within the region.

* * * * *

§ 3542. Postal Field Service Schedule.

[(a) There is established a basic compensation schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule.

POSTAL FIELD SERVICE SCHEDULE

PFS	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,204	\$4,343	\$4,482	\$4,621	\$4,760	\$4,899	\$5,038	\$5,177	\$5,316	\$5,455	\$5,594	\$5,733
2.....	4,552	4,701	4,850	4,999	5,148	5,297	5,446	5,595	5,744	5,893	6,042	6,191
3.....	4,919	5,085	5,251	5,417	5,583	5,749	5,915	6,081	6,247	6,413	6,579	6,745
4.....	5,331	5,507	5,683	5,859	6,035	6,211	6,387	6,563	6,739	6,915	7,091	7,267
5.....	5,697	5,888	6,079	6,270	6,461	6,652	6,843	7,034	7,225	7,416	7,607	7,798
6.....	6,113	6,316	6,519	6,722	6,925	7,128	7,331	7,534	7,737	7,940	8,143	8,346
7.....	6,545	6,763	6,981	7,199	7,417	7,635	7,853	8,071	8,289	8,507	8,725	-----
8.....	7,088	7,323	7,558	7,793	8,028	8,263	8,498	8,733	8,968	9,203	-----	-----
9.....	7,665	7,920	8,175	8,430	8,685	8,940	9,195	9,450	9,705	9,960	-----	-----
10.....	8,345	8,628	8,911	9,194	9,477	9,760	10,043	10,326	10,609	10,892	-----	-----
11.....	9,221	9,536	9,851	10,166	10,481	10,796	11,111	11,426	11,741	12,056	-----	-----
12.....	10,202	10,549	10,896	11,243	11,590	11,937	12,284	12,631	12,978	13,325	-----	-----
13.....	11,274	11,663	12,052	12,441	12,830	13,219	13,608	13,997	14,386	14,775	-----	-----
14.....	12,427	12,859	13,291	13,723	14,155	14,587	15,019	15,451	15,883	16,315	-----	-----
15.....	13,736	14,210	14,684	15,158	15,632	16,106	16,580	17,054	17,528	18,002	-----	-----
16.....	15,179	15,707	16,235	16,763	17,291	17,819	18,347	18,875	19,403	19,931	-----	-----
17.....	16,793	17,380	17,967	18,554	19,141	19,728	20,315	20,902	21,489	22,076	-----	-----
18.....	18,530	19,145	19,760	20,375	20,990	21,605	22,220	22,835	23,450	24,065	-----	-----
19.....	20,525	21,210	21,895	22,580	23,265	23,950	24,635	25,320	-----	-----	-----	-----
20.....	22,760	23,520	24,280	25,040	25,800	-----	-----	-----	-----	-----	-----	-----

(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

(To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below)

POSTAL FIELD SERVICE SCHEDULE I

PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	-----
9	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	-----	-----
10	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	-----	-----
11	8,746	9,146	9,546	9,946	10,346	10,746	11,146	11,546	11,946	12,346	-----	-----
12	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	-----	-----
13	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	-----	-----
14	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	-----	-----
15	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	-----	-----
16	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	-----	-----
17	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	-----	-----
18	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	-----	-----
19	19,612	20,294	20,946	21,588	22,250	22,902	23,554	24,206	24,858	25,510	-----	-----
20	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	-----	-----	-----	-----
21	24,126	24,932	25,738	26,544	26,960	-----	-----	-----	-----	-----	-----	-----

POSTAL FIELD SERVICE SCHEDULE II

[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	-----	-----
9	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	-----	-----
10	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	-----	-----
11	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	-----	-----
12	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	-----	-----
13	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	-----	-----
14	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	-----	-----
15	13,832	14,315	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	-----	-----
16	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	-----	-----
17	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	-----	-----
18	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	-----	-----
19	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	-----	-----
20	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182	-----	-----	-----	-----
21	25,333	26,179	27,025	27,871	28,717	-----	-----	-----	-----	-----	-----	-----

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§ 3543. Rural Carrier Schedule.

[(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be "RCS." Compensation shall be paid to rural carriers in accordance with this schedule.]

RURAL CARRIER SCHEDULE

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Carrier in rural delivery service:												
Fixed compensation per annum.....	\$2,391	\$2,507	\$2,623	\$2,739	\$2,855	\$2,971	\$3,087	\$3,203	\$3,319	\$3,435	\$3,551	\$3,667
Compensation per mile per annum for each mile up to 30 miles of route.....	88	90	92	94	96	98	100	102	104	106	108	110
For each mile of route over 30 miles.....	25	25	25	25	25	25	25	25	25	25	25	25

(a) There are established basic compensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation shall be paid to rural carriers in accordance with such schedules.

RURAL CARRIER SCHEDULE I

[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

RURAL CARRIER SCHEDULE II

[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

* * * * *

[§ 3544. Fourth Class Office Schedule.

[(a) There is established a basic compensation schedule which shall be known as the Fourth Class Office Schedule and for which the symbol shall be "FOS", for postmasters in post offices of the fourth class, which is based on the revenue units of the post office for the preceding fiscal year. Basic compensation shall be paid to postmasters in post offices of the fourth class in accordance with this schedule.

FOURTH CLASS OFFICE SCHEDULE

Revenue units	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
30 but fewer than 36.....	\$4,019	\$4,152	\$4,285	\$4,418	\$4,551	\$4,684	\$4,817	\$4,950	\$5,083	\$5,216	\$5,349	\$5,482
24 but fewer than 30.....	3,715	3,837	3,959	4,081	4,203	4,325	4,447	4,569	4,691	4,813	4,935	5,057
18 but fewer than 24.....	3,064	3,168	3,272	3,376	3,480	3,584	3,688	3,792	3,896	4,000	4,104	4,208
12 but fewer than 18.....	2,407	2,485	2,563	2,641	2,719	2,797	2,875	2,953	3,031	3,109	3,187	3,265
6 but fewer than 12.....	1,736	1,791	1,846	1,901	1,956	2,011	2,066	2,121	2,176	2,231	2,286	2,341
Fewer than 6.....	1,398	1,443	1,488	1,533	1,578	1,623	1,668	1,713	1,758	1,803	1,848	1,893

[(b) The basic salary of postmasters in fourth-class post offices shall be readjusted for changes in revenue units at the start of the first pay period after January 1 of each year. When a post office is restored to a revenue unit category held by it prior to relegation to a lower revenue unit category, the postmaster's basic salary may be adjusted to the highest salary step held by him when the post office was in the higher revenue unit category. In all other cases, in adjusting a postmaster's basic salary under this section, the basic salary shall be fixed at the lowest step which is higher than the basic salary received by the postmaster at the end of the preceding calendar year. If there is no such step the basic salary shall be fixed at the highest step for the adjusted revenue units of the office. Each increase in basic salary because of change in revenue units shall be deemed the equivalent of a step increase under section 3552 of this title and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment.

[(c) The basic salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate. Whenever unusual conditions prevail at any post office of the fourth class the Postmaster General may advance such office to the appropriate category based on his estimate of the number of revenue units which the office will have during the succeeding twelve months. Any fourth-class office advanced to the appropriate category pursuant to this subsection shall not be reduced in category until the start of the first pay period after January 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the category indicated by the revenue units for the preceding fiscal year.

[(d) Persons who perform the duties of postmaster at post offices of the fourth class where there is a vacancy or during the absence of the postmaster on sick or annual leave, or leave without pay, shall be paid the same basic salary to which they would have been entitled if regularly appointed as postmaster.

[(e) The Postmaster General may allow to postmasters in fourth-class post offices additional compensation for separating services and for unusual conditions during a portion of the year, in lieu of an allowance for clerical services for this purpose.

[(f) At seasonal post offices of the fourth class, the Postmaster General may authorize the payment of the basic salary prorated over the pay periods the office is open for business during the fiscal year.

[(g) Where the revenue units of a post office of the third class for each of two consecutive fiscal years are less than 36, or where in any

fiscal year the revenue units are less than 33, the post office shall be relegated to the fourth class and the basic salary of the postmaster shall be fixed in the manner provided in subsection (b) of this section.

[(h) When required by the Postmaster General a postmaster at a fourth-class office shall, and any other postmaster in PFS level 5 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for the postmaster at the office.]

§ 3544. Compensation of postmasters at fourth-class offices

(a) *The Postmaster General shall—*

(1) *rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and*

(2) *establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the total number of hours of service which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours of such full-time service.*

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

(b) *A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.*

(c) *When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule.*

* * * * *

§ 3560. Salary protection.

(a) As used in this section, the term “salary standing” means—

(1) basic salary and salary level, with respect to the Postal Field Service Schedule,

(2) salary for the particular route (including additional compensation for forty hours and under for serving heavily patronized routes), with respect to the Rural Carrier Schedule, and

(3) [revenue unit category, with respect to the Fourth-Class Office Schedule] *minimum hours of service with respect to postmasters in fourth-class post offices.*

(b) Subject to the provisions of subsection (c) of this section, each employee—

(1) who at any time on or after July 1, 1961, is or was reduced in salary standing;

(2) who, on the effective date of such reduction in salary standing, holds or held a career appointment or a probational appointment in the postal field service;

(3) whose reduction in salary standing is not or was not caused by a demotion for personal cause, is not or was not at his own request, is not or was not a condition of his temporary promotion or temporary assignment to a higher salary standing, is not or was not a condition of his temporary appointment, and is not or was not effected in a reduction in force due to lack of funds or curtailment of work;

(4) who, for two continuous years immediately prior to such reduction in salary standing, served in the postal field service with any salary standing higher than the salary standing to which he is reduced; and

(5) whose performance of work at all times during such period of two years is or was satisfactory;

shall be entitled, as of the effective date of such reduction in salary standing or as of the first day of the first pay period which begins on or after the date of enactment of this section, whichever is later, unless or until he is entitled to receive basic salary at a higher rate by reason of the operation of this section, or until the expiration of a period of two years immediately following the effective date of such reduction in salary standing or immediately following the first day of such first pay period, as applicable, to receive the rate of basic salary to which he was entitled immediately prior to such reduction in salary standing (including each increase provided by law in such rate of basic salary) so long as he continues in the postal field service without any break in service of one workday or more and is not demoted or reassigned for personal cause, at his own request, or in a reduction in force due to lack of funds or curtailment of work.

(c) The rate of basic salary to which such employee is entitled under subsection (b) of this section with respect to each reduction in salary standing to which this section applies shall be the lesser of the following:

(A) the amount of the existing rate of basic salary of the employee immediately prior to the reduction in salary standing (including each increase provided by law in such rate); or

(B) the amount of the rate of the salary level or salary range (including each increase provided by law in such rate) to which the employee is reduced, increased by 25 per centum; or

(C) the amount of the rate in the lowest salary standing which such employee held during the two years immediately preceding such reduction in salary standing augmented by each step increase which he would have earned in such salary standing and by each increase provided by law in such salary rate.

(d) The Postmaster General is authorized to issue regulations to carry out the purposes of this section.

(e)(1) For the purposes of section 3559(a), the existing basic salary shall be the basic salary which the employee would have received except for the provisions of this section.

(2) For the purposes of section 3544(h), the basic compensation earned shall be the basic compensation which the employee would have received except for the provisions of this section.

(f) For the purposes of this section, the term "curtailment of work" does not include—

(1) [reductions in class or revenue unit category of any post office, or] *reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or*

(2) reductions in route mileage for rural carriers.

* * * * *

§ 3573. Compensatory time, overtime, and holidays.

(a) In emergencies or if the needs of the service require, the Postmaster General may require employees to perform overtime work or to work on holidays. Overtime work is any work officially ordered or approved which is performed by—

(1) an annual rate regular employee in excess of his regular work schedule.

(2) an hourly rate regular employee in excess of eight hours in a day or forty hours in a week, and

(3) a substitute employee in excess of forty hours in a week.

The Postmaster General shall determine the day and week used in computing overtime work.

(b) For each hour of overtime work the Postmaster General shall compensate an employee in the "PFS" Schedule as follows:

(1) He shall pay each employee in or below salary level [PFS-10] *PFS-11* compensation at the rate of 150 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(2) He shall grant each employee in or above salary level [PFS-11] *PFS-12* compensatory time equal to the overtime worked, or in his discretion in lieu thereof pay such employee compensation at the rate of 150 per centum of the hourly rate of basic compensation of the employee or of the hourly rate of the basic compensation for the highest step of salary level [PFS-10] *PFS-11*, whichever is the lesser.

(c) For officially ordered or approved time worked on a day referred to as a holiday in the Act of December 26, 1941 (55 Stat. 862; 5 U.S.C. 87b), or on a day designated by Executive order as a holiday for Federal employees, under regulations prescribed by the Postmaster General, an employee in the PFS schedule shall receive extra compensation, in addition to any other compensation provided for by law, as follows:

(1) Each regular employee in or below salary level [PFS-10] *PFS-11* shall be paid extra compensation at the rate of 100 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(2) Each regular employee in or above salary level [PFS-11] *PFS-12* shall be granted compensatory time in an amount equal to the time worked on such holiday within thirty working days thereafter or, in the discretion of the Postmaster General, in lieu thereof shall be paid extra compensation for the time so worked at the rate of 100 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(3) For work performed on Christmas Day (A) each regular employee shall be paid extra compensation at the rate of 150 per centum of the hourly rate of basic compensation for his level and step, computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty, and (B) each substitute employee shall be paid extra compensation at the rate of 50 per centum of the hourly rate of basic compensation for his level and step.

(d) The Postmaster General shall establish conditions for the use of compensatory time earned and the payment of compensation for unused compensatory time.

(e) Each regular employee whose regular work schedule includes an eight-hour period of service any part of which is within the period commencing at midnight Saturday and ending at midnight Sunday shall be paid extra compensation at the rate of 25 per centum of his hourly rate of basic compensation for each hour of work performed during that eight-hour period of service.

(f) If an employee is entitled under this section to unused compensatory time at the time of his death, the Postmaster General shall pay at the rate prescribed in this section, but not less than a sum equal to the employee's hourly basic compensation, for each hour of such unused compensatory time to the person or persons surviving at the date of such employee's death. Such payment shall be made in the order of precedence prescribed in the first section of the Act of August 3, 1950 (5 U.S.C. 61f), and shall be a bar to recovery by any other persons of amounts so paid.

(g) Notwithstanding any provision of this section other than subsection (f), no employee shall be paid overtime or extra compensation for a pay period which when added to his basic compensation for the pay period exceeds one twenty-sixth of the annual rate of basic compensation for the highest step of salary level **[PFS-17]** *PFS-18*.

(h) For the purposes of this section and section 3571 of this title—

(1) "Annual rate regular employee" means an employee for whom the Postmaster General has established a regular work schedule consisting of five eight-hour days in accordance with section 3571 of this title.

(2) "Hourly rate regular employee" means an employee for whom the Postmaster General has established a regular work schedule consisting of not more than forty hours a week.

(3) "Substitute employee" means an employee for whom the Postmaster General has not established a regular work schedule.

* * * * *

§ 3575. Exemptions.

(a) Sections 3571, 3573 and 3574 of this title do not apply to postmasters, rural carriers, postal inspectors, and employees in salary level **[PFS-15]** *PFS-16* and above.

(b) Sections 3571 and 3573 of this title do not apply to employees referred to in section 3581 of this title.

(c) Sections 3571(a), (b), and (d), and 3573(e) of this title do not apply to substitute employees.

(d) Section 3571(b) of this title does not apply to hourly rate regular employees.

* * * * *

CHAPTER 51—NONMAILABLE MATTER

Sec.

- 4001. Nonmailable matter.
- 4002. Nonmailable fourth class matter.
- 4003. Mail bearing a fictitious name or address.
- 4004. Delivery of mail to persons not residents of the place of address.
- 4005. Fraudulent and lottery matter.
- 4006. "Unlawful" matter.
- 4007. Detention of mail for temporary periods.
- 4008. Communist political propaganda.
- 4009. *Prohibition of pandering advertisements in the mails.*

§ 4001. Nonmailable matter.

(a) Matter, the deposit of which in the mails is punishable under sections 1302, 1341, 1342, 1461, 1463, 1714, 1715, 1716, 1717, or 1718 of title 18, is nonmailable.

(b) Except as provided in section 4002 of this title, nonmailable matter which reaches the office of delivery, or which may be seized or detained for violation of law, shall be disposed of as the Postmaster General directs.

(c) *Matter otherwise legally acceptable in the mails which—*

(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both,

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

(A) the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or

(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe.

* * * * *

§ 4009. *Prohibition of pandering advertisements in the mails*

(a) *Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the advertisement represents as erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such pandering advertisements to designated addressees thereof.*

(b) *Upon receipt of notice from an addressee that he has received mail matter, determined by the Postmaster General to be of the character of a pandering advertisement, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings of such matter to the named addressees.*

(c) *The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings of pandering advertisements to the designated addressees, effective on the*

thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing is requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

(i) For the purposes of this section—

(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.

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CHAPTER 57.—PENALTY AND FRANKED MAIL

Sec.

- 4151. Definitions.
- 4152. Penalty mail.
- 4153. Endorsements on penalty covers.
- 4154. Restrictions on use of penalty mail.
- 4155. Accounting for penalty covers.
- 4156. Reimbursement for penalty mail service.
- 4158. Limit of weight of penalty mail; postage on overweight matter.
- 4159. Shipment by most economical means.
- 4160. Executive departments to supply information.
- 4161. Official correspondence of Vice President and Members of Congress.
- 4162. Public documents.
- 4163. Congressional Record under frank of Members of Congress.
- 4164. Seeds and reports from Department of Agriculture.
- 4165. Mailing privilege of former Presidents.
- 4166. Lending or permitting use of frank unlawful.
- 4167. Reimbursement for franked mailings.
- 4168. Correspondence of members of diplomatic corps and consuls of countries of Postal Union of Americas and Spain.
- 4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.
- 4170. *Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.*

* * * * *

§ 4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.

(a) First-class letter mail, including postal cards and post cards, and sound-recorded communications having the character of personal correspondence shall be carried, at no cost to the sender, in the manner provided by section 4303(d)(5) of this title, when mailed by—

(1) a member of the Armed Forces of the United States on active duty as defined in sections 101(4) and 101(22) of title 10, United States Code, and addressed to a place within the delivery limits of a United States post office, if—

(A) the letter or sound-recorded communication is mailed by the member at an Armed Forces post office established under section 705(d) of this title [in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or] *which is located at a place outside the forty-eight contiguous States of the United States; or*

(B) the member is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred [as a result of service in an overseas area designated by the President under clause (A); or] *while on active duty; or*

(2) a member of an armed force of a friendly foreign nation at an Armed Forces post office and addressed to a place within the delivery limits of a United States post office, or a post office of the nation in whose armed forces the sender is a member, if—

(A) the member is accorded free mailing privileges by his own government;

(B) the foreign nation extends similar free mailing privileges to a member of the Armed Forces of the United States serving with, or in, a unit under the control of a command of that foreign nation;

(C) the member is serving with, or in, a unit under the operational control of a command of the Armed Forces of the United States;

(D) the letter or sound-recorded communication is mailed by the member—

(i) at an Armed Forces post office established under section 705(d) of this title [in an overseas area, as designated by the President, where the Armed Forces of the United States are engaged in action against an enemy of the United States, engaged in military operations involving armed conflict with a hostile foreign force, or serving with a friendly foreign force in an armed conflict in which the United States is not a belligerent; or] *which is located at a place outside the forty-eight contiguous States of the United States; or*

(ii) while hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred [as a result of services in an overseas area designated by the President under clause (D)(i); and] *while in the services with, or in, a unit under operational control of a command of the Armed Forces of the United States; and*

(E) the nation in whose armed forces the sender is a member has agreed to assume all international postal transportation charges incurred.

(b) The Department of Defense shall transfer to the Post Office Department as postal revenue, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, as determined by the Postmaster General, for matter sent in the mails under authority of subsection (a) of this section.

(c) Subsections (a) and (b) of this section shall be administered under such conditions, and under such regulations, as the Postmaster General and the Secretary of Defense jointly may prescribe.

§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

(a) *For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.*

(b) *The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.*

CHAPTER 59—FIRST CLASS MAIL

Sec.

4251. Definition.

4252. **[Weight limit.]** *Size and weight limits.*

4253. Postage rates on first class mail.

4254. Business reply mail.

§ 4251. Definition

(a) First class mail consists ofailable (1) postal cards, (2) post cards, (3) matter wholly or partially in writing or typewriting, except as provided in sections 4365, 4453, and 4555 of this title, **[and (4)]** (4) *bills and statements of account*, and (5) matter closed against postal inspection.

(b) A postal card is a card supplied by the Department with a postage stamp printed or impressed on it for the transmission of messages, orders, notices and other communications, either printed or written in pencil or ink.

(c) Post cards are privately printed mailing cards for the transmission of messages. They may not be larger than the size fixed by the Convention of the Universal Postal Union in effect and of approximately the same form, quality and weight as postal cards.

[(d) Drop letters are letters—

[(1) mailed for local delivery at post offices where letter carrier service is not established; and

[(2) neither collected nor delivered by rural or star route carriers.]

§ 4252. Weight limit

[The maximum weight of first class mail is the same as the maximum limit applicable to fourth class mail.]

§ 4252. *Size and weight limits*

The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

§ 4253. Postage rates on first class mail

[(a) Postage on first class mail is computed separately on each letter or piece of mail. The rate of postage on first class mail is five cents for each ounce or fraction of an ounce, except that the rate—

[(1) on drop letters is four cents for each ounce or fraction of an ounce;

[(2) for each single postal card and each portion of a double postal card, including the cost of manufacture, is four cents;

[(3) for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is four cents.]

§ 4253. *Postage rates on first-class mail*

(a) *Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.*

(b) *First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303 (d) of this title and shall be entitled to the most expeditious handling and transportation practicable.*

(c) *The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each*

post card and the initial portion of each double post card conforming to section 4251 (c) of this title is 5 cents.

[(b)] (d) The rate of postage on business reply mail is the regular rate prescribed in [subsection (a) of] this section, together with an additional charge thereon of [two] 2 cents for each piece weighing two ounces or less and [five] 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

* * * * *

CHAPTER 61—AIR MAIL AND AIR PARCEL POST

Sec.

4301. Definitions.

4302. Treatment of air mail.

4303. Postage rates on air mail.

4304. Postage on Alaskan air mail.

4305. Size and weight limits.

§ 4301. Definitions

As used in this chapter—

(1) “domestic air mail” means matter bearing postage at the rates of postage prescribed in sections 4303 and 4304 of this title which is mailed in the United States Postal Service for transportation by air and delivery by the United States Postal Service.

(2) “air parcel post” means domestic air mail of any class weighing in excess of [eight] 7 ounces.

§ 4302. Treatment of air mail

(a) Except with respect to the postage required, domestic air mail, other than air parcel post, shall be treated as first class mail.

(b) The Postmaster General shall prescribe the conditions under which air parcel post shall be—

- (1) forwarded or returned to the sender;
- (2) charged with forwarding or return postage; and
- (3) registered, insured, or given C. O. D. service.

§ 4303. Postage rates on air mail

(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic air mail weighing not more than [eight] 7 ounces is [eight] 10 cents for each ounce or fraction thereof.

(b) The rate of postage on each postal card and post card sent as domestic air mail is [six] 8 cents.

(c) The rate of postage on letters in business reply envelopes and on business reply cards sent as domestic air mail is the regular rate prescribed in subsection (a) or (b) together with an additional charge thereon of two cents for each piece weighing two ounces or less and five cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

(d)(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following [table] tables:

Zones	First pound over 8 ounces or fraction thereof	Additional pounds or fraction thereof
	<i>Cents</i>	<i>Cents</i>
1, 2, and 3.....	68	48
4.....	73	50
5.....	78	56
6.....	83	66
7.....	83	72
8.....	88	80

	Zones					
	Local, 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.25	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.75	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.60
Zone 5.....	.66
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80

[(2) The rate of postage on air mail of the first class weighing in excess of eight ounces shall be the rate provided by subsection (a) for each ounce not in excess of eight ounces, plus 5 cents for each ounce or fraction thereof in excess of eight ounces, but in no case less than the rate provided under paragraph (1) for air parcels.]

(3) In addition to parcels to which it is otherwise applicable, the eighth zone includes, for purposes of this section only, except as provided by paragraph (4) of this subsection, parcels transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone.

(4) The rates of postage on air parcel post transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and Army, Air Force, and Fleet post offices, shall be the applicable zone rates shown in paragraph (1) of this subsection for mail between the place of mailing or delivery within the United States, its territories or possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and the city of the postmaster serving the Army, Air Force, or Fleet post office concerned, except that the rate of postage applicable to air

parcel post transported directly between (1) Hawaii, Alaska, or the territories and possessions of the United States in the Pacific area, and (2) an Army, Air Force, or Fleet post office served by the postmaster at San Francisco, California, or Seattle, Washington, shall be the rate which would be applicable if the parcel were in fact mailed from or delivered to that city, as the case may be.

(5) There shall be transported by air, between Armed Forces post offices established under section 705(d) of this title which are located outside the forty-eight contiguous States of the United States, or between any such Armed Forces post office and the point of embarkation or debarkation within the fifty States of the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, the Virgin Islands or the Canal Zone, on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), the following categories of mail matter:

(A)(i) first-class letter mail (including postal cards and post cards),

(ii) sound-recorded communications having the character of personal correspondence, [and]

(iii) parcels of any class of mail not exceeding five pounds in weight and sixty inches in length and girth combined, and

(iv) *second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public,*

which are mailed at or addressed to any such Armed Forces post office; and

[(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office in an overseas area designated by the President under section 4169 of this title; and]

[(C)] (B) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, *including surface-type official mail*, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available.

Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this paragraph, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers. This paragraph shall not affect the operation of section 4169(a) of this title.

(6) Paragraphs (4) and (5) of this subsection shall be administered under such conditions and regulations as the Postmaster General and the Secretary of Defense severally may prescribe to carry out their respective functions under such paragraphs.

(e) Air parcel post of light weight in relation to size is subject to such surcharge as the Postmaster General determines to be warranted by reason of the extra space and care required in handling and transporting it.

(f) The Department of Defense shall reimburse the Post Office Department, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, sums equal to the expenses incurred by the Post Office Department, as determined by the Postmaster General, in providing air transportation of mail between Armed Forces post offices established under section 705(d) of this title which are not located within the fifty States of the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, *or* the Virgin Islands [or the Canal Zone], or between any such Armed Forces post office and the point of embarkation or debarkation within the fifty States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, *or* the Virgin Islands [or the Canal Zone].

§ 4304. Postage on Alaskan air mail

Notwithstanding the provisions of section 4303 of this title, the Postmaster General may fix the postage at rates not exceeding 30 cents per ounce or 15 cents per one-half ounce for airmail sent to, from, or within Alaska.

§ 4305. Size and weight limits

The maximum size and weight of domestic airmail and air parcel post is 100 inches in length and girth combined and 70 pounds.

CHAPTER 63—SECOND CLASS MAIL AND CONTROLLED CIRCULATION PUBLICATIONS

SECOND CLASS MAIL

Sec.

- 4351. Definition.
- 4352. Entry as second class mail.
- 4353. Entry of foreign publications.
- 4354. Conditions for entry of publications.
- 4355. Conditions for entry of publications of certain organizations.
- 4356. Conditions for entry of publications of State departments of agriculture.
- 4357. Fees for entry and registration.
- 4358. [Postage rates within county of publication] *Rates of postage; preferred.*
- 4359. [Postage rates beyond county of publication.] *Rates of postage; regular.*
- 4360. Minimum postage.
- 4361. Rates for proofs of advertisements
- 4362. Transient postage rate.
- 4363. Separation by mailer of second class mail.
- 4364. Information to be furnished by mailer.
- 4365. Permissible marks and enclosures.
- 4366. Permissible supplements.
- 4367. Marking of advertising matter.
- 4368. Affidavits relating to mailings; second class mail.
- 4369. Filing of information relating to publications of the second class.
- 4370. Delivery of newspapers by postal transportation service.

CONTROLLED CIRCULATION PUBLICATIONS

- 4421. Definition.
- 4422. Rates.

* * * * *

§ 4358. [Postage rates within county of publication] *Rates of postage; preferred*

(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

[(In cents)]

	Mailed after January 6, 1963, and prior to January 1, 1965	Mailed after December 31, 1964
Rate per pound.....	1	1¼
Minimum charge per piece.....	½	¾

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2

(b) The rate of postage on the following publications admitted as second-class mail when mailed for delivery, within the county in which they are published and entered, by letter carrier at the office of mailing, shall be—

(1) publications issued more frequently than weekly, one cent a copy;

(2) publications issued less frequently than weekly—

(A) weighing two ounces or less, one cent a copy;

(B) weighing more than two ounces, two cents a copy.

(c) When copies of a publication are mailed at a post office where it is entered for delivery by letter carrier at a different post office within the delivery limits of which the headquarters or general business office of the publisher is located the rate of postage is—

(1) the rate that would be applicable if the copies were mailed at the latter post office, or

(2) the pound rates from the office of mailing if those rates are higher.

(d) *The rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:*

[In cents]

	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and there- after
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.65	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.65	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.65	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

(e) *The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.*

(f) *The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.*

(g) *In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.*

(h) *The publisher of a classroom publication or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.*

(i) *For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.*

(j) *As used in this section—*

(1) *“classroom publication” means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;*

(2) *“a publication of a qualified nonprofit organization” means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans’, fraternal, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;*

(3) *“zones” means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.*

(k) *The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry.*

§ 4359. [Postage rates beyond county of publication] Rates of postage; regular

(a) *Except as provided in sections 4358 and 4362 of this title, the rates of postage set out in this section are applicable to copies of publications entered as second class mail when (1) mailed by the publisher thereof from the post office of publication and entry or other*

post office where entry is authorized and (2) when mailed by news agents, registered as such under regulations prescribed by the Postmaster General, to actual subscribers thereto or to other news agents for the purpose of sale and (3) sample copies to the extent of 10 per centum of the weight of copies mailed to subscribers during the calendar year.

[(b)(1) Except as provided by paragraphs (2), (3), and (4), the rates of postage on publications mailed in accordance with subsection (a) are as follows:

[In cents]

	Mailed after January 6, 1963, and prior to January 1, 1964	Mailed during calendar year 1964	Mailed after December 31, 1964
Rates per pound:			
Advertising portion:			
Zones 1 and 2.....	3.4	3.8	4.2
Zone 3.....	4.4	4.8	5.2
Zone 4.....	6.4	6.8	7.2
Zone 5.....	8.4	8.8	9.2
Zone 6.....	10.4	10.8	11.2
Zone 7.....	12.0	12.0	12.0
Zone 8.....	14.0	14.0	14.0
Nonadvertising portion.....	2.6	2.7	2.8
Minimum charge per piece.....	.6	.8	1.0

[(2) The postage on classroom publications is 60 per centum of the postage computed in accordance with paragraph (1).

[(3) The rates of postage on publications of a qualified nonprofit organization mailed in accordance with subsection (a) are as follows:

[In cents]

	Mailed after January 6, 1963, and prior to January 1, 1964	Mailed during calendar year 1964	Mailed after December 31, 1964
Rate per pound.....	1.6	1.7	1.8
Minimum charge per piece.....	.125	.125	.125

[(4) In lieu of the minimum charge per piece prescribed by paragraph (1), the minimum charge per piece to be paid by the following publications (other than publications to which paragraph (2) or paragraph (3) is applicable) shall be as follows—

[(A) publications mailing fewer than 5,000 copies per issue outside the county of publication—one-half cent per piece.

[(B) any issue of a publication the advertising portion of which does not exceed 5 per centum of the entire issue—.55 of a cent per piece when mailed after January 6, 1963, and prior to January 1, 1964, .65 of a cent per piece when mailed during calendar year 1964, and .75 of a cent per piece when mailed after December 31, 1964.

[(c) For the purpose of this section, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

[(d) The publisher of a classroom publication or of a publication of a nonprofit organization before being entitled to the rates for the publications shall furnish such proof of qualifications as the Postmaster General prescribes.

[(e) As used in this section the term—

[(1) “classroom publication” means a religious, educational or scientific publication entered as second class mail and designed specifically for use in classrooms or in religious instruction classes;

[(2) “a publication of a qualified nonprofit organization” means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans’, fraternal, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising; and

[(3) “zones” means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.]

(b) *Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:*

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
<i>Rate per pound:</i>			
<i>Advertising portion:</i>			
<i>Zones 1 and 2.....</i>	4.5	4.8	5.1
<i>Zone 3.....</i>	5.6	5.9	6.3
<i>Zone 4.....</i>	7.7	8.2	8.7
<i>Zone 5.....</i>	9.9	10.5	11.1
<i>Zone 6.....</i>	12.0	12.8	13.6
<i>Zone 7.....</i>	12.8	13.7	14.5
<i>Zone 8.....</i>	15.0	16.0	17.0
<i>Nonadvertising portion.....</i>	3.0	3.2	3.4
<i>Minimum charge per piece.....</i>	1.1	1.2	1.3

(c) *For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto, except such advertisements as are subject to the provisions of section 4656 of this title.*

(d)(1) *Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or first-class mail.*

(2) *The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—*

(A) *shall be in addition to the payment of lawfully required postage;*

(B) *may not be adjusted more frequently than once every two years; and*

(C) *when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation.*

(e) *As used in this section the term "zones" means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.*

* * * * *

§ 4362. Transient postage rate

The rate of postage on copies of publications having second class entry mailed—

(1) by persons other than the publishers or registered news agents;

(2) as sample copies by the publishers in excess of the 10 per centum permitted to be mailed at the pound rates; and

(3) copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers;

is [four] 5 cents for the first two ounces and one cent for each additional ounce or fraction thereof. When postage at the rates prescribed for fourth class mail is lower, the latter applies. The rates are computed on each individually addressed copy or package of unaddressed copies.

§ 4363. Separation by mailer of second class mail

[The Postmaster General may require publishers and news agents to separate and make up to zones, in such manner as he directs, second class mail offered for mailing.]

Publishers and news agents shall mail second-class matter in the manner directed by the Postmaster General.

* * * * *

§ 4365. Permissible marks and enclosures

(a) Second class mail may contain no writing, print, or sign thereon or therein, in addition to the original print except—

(1) the name and address of the person to whom the mail is sent and directions for transmission, delivery, forwarding or return;

(2) index figures of subscription book either printed or written;

(3) the printed title of the publication and the place of its publication;

(4) the printed or written name and address without addition of advertisement of the publisher or sender, or both;

(5) written or printed words or figures, or both, indicating the date on which the subscription to the matter will end;

(6) the correction of typographical errors;

(7) a mark except written or printed words to designate a word or passage to which it is desired to call attention;

(8) the words "sample copy" when the matter is sent as such; and

(9) the words "marked copy" when the matter contains a marked item or article.

(b) Publishers and news agents may enclose in their publications bills, receipts and orders for subscriptions.

(c) This section does not prohibit the insertion in periodicals of advertisements permanently attached thereto.

(d) *In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.*

* * * * *

§ 4369. Filing of information relating to publications of the second class

(a) Each owner of a publication having second-class mail privileges under section 4354 of this title shall furnish to the Postmaster General at least once a year, and shall publish in such publication once a year, information in such form and detail and at such time as he may require respecting—

(1) the identity of the editor, managing editor, publishers, and owners;

(2) the identity of the corporation and stockholders thereof, if the publication is owned by a corporation;

(3) the identity of known bondholders, mortgagees, and other security holders;

(4) the extent and nature of the circulation of the publication, including, but not limited to, the number of copies distributed, the methods of distribution, and the extent to which such circulation is paid in whole or in part [*Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General*]; and

(5) such other information as he may deem necessary to determine whether the publication meets the standards for second-class mail privileges.

The Postmaster General shall not require the names of persons owning less than 1 per centum of the total amount of stocks, bonds, mortgages, or other securities.

* * * * *

CONTROLLED CIRCULATION PUBLICATIONS

§ 4421. Definition

Controlled circulation publications are those publications which—

(1) contain twenty-four pages or more;

(2) are issued at regular intervals of four or more times a year;

(3) devote 25 per centum or more of their pages to text or reading matter and not more than 75 per centum to advertising matter;

(4) may be circulated free or mainly free; and

(5) are not owned and controlled by one or several individuals or business concerns and conducted as an auxiliary to and essentially for the advancement of the main business or calling of those who own or control them.

§ 4422. Rates of postage

【The postage rate on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General, is 12½ cents a pound or fraction thereof when mailed after January 6, 1963, and prior to January 1, 1964, 13 cents a pound or fraction thereof when mailed during calendar year 1964, and 13½ cents a pound or fraction thereof when mailed after December 31, 1964, regardless of the weight of the individual copies, with a minimum charge of 1 cent for each piece. The rates provided in this section shall remain in effect until otherwise provided by the Congress.】

The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

[In cents]

	<i>Mailed during calendar year 1968</i>	<i>Mailed during calendar year 1969</i>	<i>Mailed on and after Jan. 1, 1970</i>
<i>Rate per pound.....</i>	<i>14.0</i>	<i>14.5</i>	<i>15.0</i>
<i>Minimum charge per piece.....</i>	<i>1.9</i>	<i>2.9</i>	<i>3.8</i>

CHAPTER 65—THIRD CLASS MAIL

Sec.

4451. Definition.
4452. Postage rates.
4453. Permissible marks and enclosures.

§ 4451. Definition

- (a) Third class mail consists of mailable matter which is—
 (1) not mailed or required to be mailed as first class mail;
 (2) not entered as second class mail; and
 (3) less than sixteen ounces in weight.

【(b) A person who presents for mailing at one time twenty or more identical copies of bills and statements of account produced by any photographic or mechanical process, other than typewriting, may mail them as third class mail. In other cases, bills and statements of account shall be mailed as first class mail.】

(c) Circulars, including printed letters which according to internal evidence are being sent in identical terms to several persons, are third class mail. A circular does not lose its character as such when the date and name of the addressee and of the sender are written therein, nor by the correction in writing of mere typographical errors.

【(d) Unsealed letters written in point print or raised characters, or on sound reproduction records, used by the blind are third class mail without regard to the limit on weight prescribed in subsection (a) (3) of this section.】

(e) Printed matter within the limit of weight set forth in subsection (a) of this section is third class mail. For the purpose of this subsection, printed matter is paper on which words, letters, characters, figures or images, or any combination thereof, not having the character of actual and personal correspondence, have been reproduced by any process other than handwriting or typewriting.

§ 4452. Postage rates

[(a) Except as provided in subsection (c) of this section, and subject to the minimum charge per piece provided in subsection (b) of this section, the postage rates on third-class mail are as follows:

Type of mailing	Rate	Unit
(1) Individual piece.....	<i>Cents</i> 4	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsec. (e) of this section of:	2	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	Each pound or fraction thereof.
(B) Other matter.....	18	Do.

[(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece of $2\frac{1}{2}$ cents when mailed subsequent to January 6, 1963 and prior to January 1, 1964, 2 $\frac{1}{2}$ cents when mailed during calendar year 1964, and 2 $\frac{1}{2}$ cents when mailed after December 31, 1964, except that the minimum charge per piece on such matter mailed by qualified nonprofit organizations is $1\frac{1}{4}$ cents.]

(a) *Except as otherwise provided in this section, the postage rates of third-class mail are as follows:*

Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	<i>Cents</i> 6 2	<i>Cents</i> 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.....	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	2 $\frac{1}{4}$	3.8	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	1.9	Do.

(b) *Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable, except that the minimum charge is 1.3 cents per piece on such matter mailed on and after January 7, 1968, by qualified nonprofit organizations (1) which are organized for charitable, religious, or general health purposes, and are engaged predominantly in the accomplishment of such purposes, or (2) when such matter consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes.*

(c) The pound rates on matter mailed in bulk under subsection (e) by qualified nonprofit organizations are 50 per centum of the pound rates provided by subsection (a).

(d) The term "qualified nonprofit organization" as used in this section means religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual. Before being entitled to the preferential rates set out in this section, the organization or association shall furnish proof of its qualifications to the Postmaster General.

(e) Upon payment of a fee of \$30 for each calendar year or portion thereof, any person may mail in the manner directed by the Postmaster General, separately addressed, identical pieces of third class mail, in quantities of not less than fifty pounds or of not less than two hundred pieces subject to pound rates of postage applicable to the entire bulk mailed at one time.

§ 4453. Permissible marks and enclosures

Only marks and enclosures permissible in the case of fourth class mail, pursuant to section 4555 of this title, may be placed on or enclosed in third class mail.

CHAPTER 67—FOURTH CLASS MAIL

Sec.

4551. Definition.

4552. Size and weight limitations.

4553. Postal zones.

4554. [Postage rates on books and films.] *Books, films, and other materials; preferred rates.*

4555. Permissible marks and enclosures.

4556. Postage rates on parcel post.

4557. Postage rates on catalogs.

4558. Reformation of conditions of mailability.

4559. Certification on fourth-class mail revenue-cost relationship.

4560. *Air transportation of parcels mailed at or addressed to Armed Forces post offices.*

§ 4551. Definition

Fourth class mail consists ofailable matter—

- (1) not mailed or required to be mailed as first class mail;
- (2) within the size and weight limits prescribed for fourth class mail; and
- (3) not entered as second class mail.

* * * * *

§ 4554. [Postage rates on books, films, and similar educational materials] *Books, films, and other materials; preferred rates*

(a) Except as provided in subsection (b) of this section, the postage rate is [9½ cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after January 6, 1963 and prior to January 1, 1964, and 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after December 31, 1963] *16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof*, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every

case where such rate is lower than the rate prescribed in this subsection on—

【(1) complete books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books except additions, supplements, fillers, or similar matter which are mailed thereafter and which are intended to replace or add to material in the complete book originally mailed;】

(1) books, including books issued to supplement other books, consisting wholly of reading matter or reading matter with incidental blank spaces for notations containing no advertising matter other than incidental announcement of books;

【(2) 16-millimeter films and 16-millimeter film catalogs except when sent to commercial theaters;】

(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to commercial theaters;

(3) printed music, whether in bound form or in sheet form;

(4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answer, test scores, or identifying information recorded thereon in writing, or by mark;

(5) sound recordings, including incidental announcements of recordings and guides or scripts prepared solely for use with such recordings;

(6) manuscripts for books, periodicals and music;

(7) Printed educational reference charts, permanently processed for preservation; and

(8) looseleaf pages, and binders therefor, consisting of medical information for distribution to doctors, hospitals, medical schools, and medical students.

(b)(1) Matter designated in paragraph (2) of this subsection may be mailed at the regular third or fourth class postage rates or at the rate of 【4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof】 *8 cents for the first two pounds or fraction thereof and 3 cents for each additional pound or fraction thereof* when loaned or exchanged (including cooperative processing by libraries) between—

(A) schools, colleges or universities;

(B) public libraries, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members, readers or borrowers.

(2) The materials mailable under the rates prescribed in paragraph (1) of this subsection are—

(A) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books;

(B) printed music, whether in bound form or in sheet form;

(C) bound volumes of academic theses in typewritten or other duplicated form;

(D) periodicals, whether bound or unbound;

(E) sound recordings; and

(F) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

(3) Before being entitled to the preferential rates under this subsection, the Postmaster General may require an organization or association to furnish satisfactory evidence to him that none of the net income inures to the benefit of any private stockholder or individual.

(c) 16-millimeter *or narrower width* films, filmstrips, transparencies for projection, slides, microfilms, sound recordings, scientific or mathematical kits, instruments or other devices and catalogs of those items, and guides or scripts prepared solely for use with such materials may be mailed at the rates prescribed in subsection (b)(1) of this section when sent to or from the institutions, organizations or associations listed in (A) and (B) of subsection (b)(1).

(d) The limit of weight on parcels mailed under this section is 70 pounds.

[(e) The postage rates prescribed in this section shall continue until otherwise provided by the Congress.]

(e) *Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him.*

* * * * *

§ 4559. Certification on fourth-class mail revenue-cost relationship.

The Postmaster General shall not withdraw from the general fund of the Treasury any funds appropriated to the Department for any fiscal year, until he has certified in writing to the Secretary of the Treasury that—

(1) he has reason to believe that the revenues from the rates of postage on fourth-class mail (other than fourth-class mail for which the rates are prescribed by sections 4422, 4554, and 4651 to 4654, inclusive, of this title) will not be greater than the costs thereof by more than 4 per centum and will not be less than the costs thereof by more than 4 per centum; or

(2) he has filed with the Interstate Commerce Commission a request for the establishment or reformation of rates or other conditions of mailability, or both, in accordance with section 4558 of this title, with the objective that the revenues of such fourth-class mail will not be greater than the costs thereof by more than 4 per centum, or will not be less than the costs thereof by more than 4 per centum; or

(3) the volume data published in the most recent Cost Ascertainment Report does not reflect increases in the volume of fourth-class mail from changes in law, including changes which have not become effective, which in the opinion of the Postmaster General would have resulted in revenues of fourth-class mail (other than that for which rates are prescribed by sections 4422, 4554 and 4651 to 4654 inclusive, of this title) not greater than the costs thereof by more than 4 per centum, or not less than the costs thereof by more than 4 per centum, had such changes in law been in effect for the period covered by such Cost Ascertainment Report.

Certificates required by this subsection shall be based on the volume data published in the most recent Cost Ascertainment Report of the Department.

§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers.

CHAPTER 69—POSTAGE RATES FOR MISCELLANEOUS MATTER WITHIN THE VARIOUS CLASSES

Sec.

4651. Keys and other small articles.

4652. Congressional Record.

[4653. Publications for the blind.

[4654. Reproducurs and sound reproduction records for the blind.]

4653. Matter for blind and other handicapped persons.

4654. Unsealed-letters sent by blind or physically handicapped persons.

4655. Markings.

4656. Enclosures mailed with second-class publications.

§ 4651. Keys and other small articles

(a) Any person may mail without prepayment of postage a key, identification card, identification tag, or similar identification device, or small article which the Postmaster General by regulation designates, which bears, contains, or has attached securely thereto—

(1) a complete, definite, and legible post office address, including any street address or box or route number; and

(2) a notice directing that it be returned to the address, and guaranteeing the payment, on delivery, of the postage due thereon.

(b) Postage at the rate of [6 cents for each two ounces or fraction thereof] 14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof, shall be collected on delivery.

§ 4652. Repealed. Pub. L. 87-793, § 304(a)(3), Oct. 11, 1962, 76 Stat. 840, eff. Jan. 7, 1963.

[§ 4653. Publications for blind persons.

[(a) The following matter may be mailed free of postage—

[(1) books, pamphlets, and other reading matter, including pages thereof:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) in packages not exceeding the weight prescribed by the Postmaster General;

[(C) containing no advertising or other matter whatsoever;

[(D) unsealed;

[(E) sent—

[(i) by an institution, agency publisher, organization, or association (including a library or school and including organizations or associations of or for blind people); not conducted for private profit, as a loan to blind readers, or when returned by the blind reader to the lender; or

[(ii) to a blind person without cost to the blind person; or

[(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to be furnished to a blind person without cost to such blind person.

[(2) magazines, periodicals, and other regularly issued publications:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) containing no advertising;

[(C) for which no subscription fee is charged.

[(b) There may be mailed at the rate of postage of 1 cent for each pound or fraction thereof—

[(1) books, pamphlets, and other reading matter, including pages thereof:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) in packages not exceeding the weight prescribed by the Postmaster General;

[(C) containing no advertising or other matter whatsoever;

[(D) unsealed;

[(E) sent—

[(i) by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, on a rental basis to blind readers, or when returned by the blind reader to such organization, at a price not greater than the cost price thereof; or

[(ii) to a blind person at a price not greater than the cost price thereof; or

[(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people) not conducted for private profit, to be furnished to a blind person at a price not greater than the cost price thereof.

[(2) magazines, periodicals, and other regularly issued publications.

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

- [(B) containing no advertising;
- [(C) when furnished by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to a blind person, at a price not greater than the cost price thereof.

[§ 4654. Reproducers, sound recordings, and other materials and appliances for the preparation of reading matter for blind persons.

[(a) Reproducers, or parts thereof, for sound recordings for blind persons which are the property of the United States Government may be mailed free of postage when sent for repair, or returned after repair—

- [(1) by an organization, institution, public library, or association for blind persons, not conducted for private profit;
- [(2) by a blind person to such an agency not conducted for private profit;
- [(3) from such an agency to an organization, institution, public library, or association for blind persons not conducted for private profit; or
- [(4) to a blind person.

[(b) The Postmaster General may extend the free mailing privilege provided by subsection (a) of this section to reproducers or parts thereof for sound recordings for blind persons, braille writers and other appliances for blind persons or parts thereof, that are the property of—

- [(1) State governments or subdivisions thereof;
- [(2) public libraries;
- [(3) private agencies for the blind not conducted for private profit; or
- [(4) blind individuals.

[(c) The Postmaster General may also permit the mailing free of postage of paper, records, tapes, and other materials for use by the recipients for the production (whether by hand or printed) of reading matter either in raised characters or sightsaving-size type, or in the form of sound recordings, for use of blind persons, where such materials are the property of—

- [(1) State governments or subdivisions thereof;
- [(2) public libraries;
- [(3) private agencies for the blind not conducted for private profit; or
- [(4) blind individuals.]

§ 4653. Matter for blind and other handicapped persons

(a) *The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—*

(1) *the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment;*

(2) *no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;*

(3) *the matter may be opened by the Postmaster General for inspection;*

- (4) *the matter contains no advertising; and*
 (5) *the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.*

(b) *The free mailing privilege provided by subsection (a) is extended to—*

- (1) *reading matter and musical scores;*
 (2) *sound reproductions;*
 (3) *paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;*
 (4) *reproducers, or parts thereof, for sound reproductions; and*
 (5) *Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.*

§ 4654. Unsealed letters sent by blind or physically handicapped persons

Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage.

§ 4655. Markings

All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area.

§ 4656. Enclosures mailed with second-class publications

Bills or receipts mailed with publications entered as second-class mail, either loose or bound in the publications, and advertising supplements mailed with such publications, shall be charged postage at first, third, or fourth-class rates, as appropriate, had such matter been mailed other than with the publications.

* * * * *

CHAPTER 91—DELIVERY SERVICE

* * * * *

§ 6008. Special handling

Upon payment of a special handling fee, [fourth class mail is] third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as air mail.

TITLE 5, UNITED STATES CODE

* * * * *

§ 5303. Higher minimum rates: Presidential authority.

(a) When the President finds that the pay rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the pay rates of statutory pay schedules as to

handicap significantly the Government's recruitment or retention of well-qualified individuals in positions paid under—

- (1) section 5332 of this title;
- (2) the provisions of part III of title 39 relating to employees in the postal field service;
- (3) the pay scales for physicians, dentists, and nurses in the Department of Medicine and Surgery, Veterans' Administration, under chapter 73 of title 38; or
- (4) sections 867 and 870 of title 22;

he may establish for the areas or locations higher minimum rates of basic pay for one or more grades or levels, occupational groups, series, classes, or sub-divisions thereof, and may make corresponding increases in all step rates of the pay range for each such grade or level. However, a minimum rate so established may not exceed the [seventh] *maximum* pay rate prescribed by statute for the grade or level. The President may authorize the exercise of the authority conferred on him by this section by the Civil Service Commission or, in the case of individuals not subject to the provisions of this title governing appointment in the competitive service, by such other agency as he may designate.

(b) Within the limitations of subsection (a) of this section, rates of basic pay established under that subsection may be revised from time to time by the President or by such agency as he may designate. The actions and revisions have the force and effect of statute.

(c) An increase in rate of basic pay established under this section is not an equivalent increase in pay within the meaning of section 5335(a) of this title and section 3552 of title 39.

[(d) The rate of basic pay, established under this section, and received by an individual immediately before the effective date of a statutory increase in the pay schedules of the pay systems specified in subsection (a) of this section shall be initially adjusted on the effective date of the new pay schedules under conversion regulations prescribed by the President or by such agency as he may designate.]

(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate.

* * * * *

§ 5314. Positions at level III.

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is **[\$28,500]** \$29,500:

- (1) Deputy Attorney General.
- (2) Solicitor General of the United States.
- (3) Deputy Postmaster General.
- (4) Under Secretary of Agriculture.
- (5) Under Secretary of Commerce.
- (6) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (7) Under Secretary of Health, Education, and Welfare.
- (8) Under Secretary of the Interior.

- (9) Under Secretary of Labor.
- (10) Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs.
- (11) Under Secretary of the Treasury.
- (12) Under Secretary of the Treasury for Monetary Affairs.
- (13) Administrator of General Services.
- (14) Administrator of the Small Business Administration.
- (15) Deputy Administrator of Veterans' Affairs.
- (16) Deputy Administrator, Agency for International Development.
- (17) Chairman, Civil Aeronautics Board.
- (18) Chairman of the United States Civil Service Commission.
- (19) Chairman, Federal Communications Commission.
- (20) Chairman, Board of Directors, Federal Deposit Insurance Corporation.
- (21) Chairman of the Federal Home Loan Bank Board.
- (22) Chairman, Federal Power Commission.
- (23) Chairman, Federal Trade Commission.
- (24) Chairman, Interstate Commerce Commission.
- (25) Chairman, National Labor Relations Board.
- (26) Chairman, Securities and Exchange Commission.
- (27) Chairman, Board of Directors of the Tennessee Valley Authority.
- (28) Chairman, National Mediation Board.
- (29) Chairman, Railroad Retirement Board.
- (30) Chairman, Federal Maritime Commission.
- (31) Comptroller of the Currency.
- (32) Commissioner of Internal Revenue.
- (33) Director of Defense Research and Engineering, Department of Defense.
- (34) Deputy Administrator of the National Aeronautics and Space Administration.
- (35) Deputy Director of the Bureau of the Budget.
- (36) Deputy Director of Central Intelligence.
- (37) Director of the Office of Emergency Planning.
- (38) Director of the Peace Corps.
- (39) Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration.
- (40) Director of the National Science Foundation.
- (41) Repealed. Pub. L. 90-83.
- (42) President of the Export-Import Bank of Washington.
- (43) Members, Atomic Energy Commission.
- (44) Members, Board of Governors of the Federal Reserve System.
- (45) Director of the Federal Bureau of Investigation, Department of Justice.
- (46) Administrator, Federal Highway Administration.
- (47) Administrator, Federal Railroad Administration.
- (48) Chairman, National Transportation Safety Board.
- (49) Chairman of the National Endowment for the Arts the incumbent of which also serves as Chairman of the National Council on the Arts.

- (50) Chairman of the National Endowment for the Humanities.
- (51) Director of the Federal Mediation and Conciliation Service.
- (52) Under Secretary of Housing and Urban Development.

§ 5315. Positions at level IV.

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is **[\$27, 000] \$28,750**:

- (1) Administrator, Bureau of Security and Consular Affairs, Department of State.
- (2) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (3) Deputy Administrator of General Services.
- (4) Associate Administrator of the National Aeronautics and Space Administration.
- (5) Assistant Administrators, Agency for International Development (6).
- (6) Regional Assistant Administrators, Agency for International Development (4).
- (7) Under Secretary of the Air Force.
- (8) Under Secretary of the Army.
- (9) Under Secretary of the Navy.
- (10) Deputy Under Secretaries of State (2).
- (11) Assistant Secretaries of Agriculture (3).
- (12) Assistant Secretaries of Commerce (5).
- (13) Assistant Secretaries of Defense (7).
- (14) Assistant Secretaries of the Air Force (3).
- (15) Assistant Secretaries of the Army (3).
- (16) Assistant Secretaries of the Navy (3).
- (17) Assistant Secretaries of Health, Education, and Welfare (5).
- (18) Assistant Secretaries of the Interior (5).
- (19) Assistant Attorneys General (9).
- (20) Assistant Secretaries of Labor (4).
- (21) Assistant Postmasters General (6).
- (22) Assistant Secretaries of State (11).
- (23) Assistant Secretaries of the Treasury (4).
- (24) Chairman of the United States Tariff Commission.
- (25) Repealed. Pub. L. 90-83.
- (26) Repealed. Pub. L. 90-83.
- (27) Repealed. Pub. L. 90-83.
- (28) Repealed. Pub. L. 90-83.
- (29) Director of Civil Defense, Department of the Army.
- (30) Repealed. Pub. L. 90-83.
- (31) Deputy Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration.
- (32) Deputy Director of the Office of Emergency Planning.
- (33) Deputy Director of the Office of Science and Technology.
- (34) Deputy Director of the Peace Corps.
- (35) Deputy Director of the United States Arms Control and Disarmament Agency.
- (36) Deputy Director of the United States Information Agency.
- (37) Assistant Directors of the Bureau of the Budget (3).
- (38) General Counsel of the Department of Agriculture.

- (39) General Counsel of the Department of Commerce.
- (40) General Counsel of the Department of Defense.
- (41) General Counsel of the Department of Health, Education, and Welfare.
- (42) Solicitor of the Department of the Interior.
- (43) Solicitor of the Department of Labor.
- (44) General Counsel of the National Labor Relations Board.
- (45) General Counsel of the Post Office Department.
- (46) Counselor of the Department of State.
- (47) Legal Adviser of the Department of State.
- (48) General Counsel of the Department of the Treasury.
- (49) First Vice President of the Export-Import Bank of Washington.
- (50) General Manager of the Atomic Energy Commission.
- (51) Governor of the Farm Credit Administration.
- (52) Inspector General, Foreign Assistance.
- (53) Deputy Inspector General, Foreign Assistance.
- (54) Members, Civil Aeronautics Board.
- (55) Members, Council of Economic Advisers.
- (56) Members, Board of Directors of the Export-Import Bank of Washington.
- (57) Members, Federal Communications Commission.
- (58) Member, Board of Directors of the Federal Deposit Insurance Corporation.
- (59) Members, Federal Home Loan Bank Board.
- (60) Members, Federal Power Commission.
- (61) Members, Federal Trade Commission.
- (62) Members, Interstate Commerce Commission.
- (63) Members, National Labor Relations Board.
- (64) Members, Securities and Exchange Commission.
- (65) Members, Board of Directors of the Tennessee Valley Authority.
- (66) Members, United States Civil Service Commission.
- (67) Members, Federal Maritime Commission.
- (68) Members, National Mediation Board.
- (69) Members, Railroad Retirement Board.
- (70) Director of Selective Service.
- (71) Associate Director of the Federal Bureau of Investigation, Department of Justice.
- (72) Chairman, Equal Employment Opportunity Commission.
- (73) Chief of Protocol, Department of State.
- (74) Director, Bureau of Intelligence and Research, Department of State.
- (75) Director, Community Relations Service.
- (76) United States Attorney for the District of Columbia.
- (77) United States Attorney for the Southern District of New York.
- (78) Members, National Transportation Safety Board.
- (79) General Counsel, Department of Transportation.
- (80) Deputy Administrator, Federal Aviation Administration.
- (81) Assistant Secretaries of Transportation (4).
- (82) Director of Public Roads.
- (83) Administrator of the St. Lawrence Seaway Development Corporation.

- (84) Assistant Secretary for Science, Smithsonian Institution.
- (85) Assistant Secretary for History and Art, Smithsonian Institution.
- (86) Deputy Administrator of the Small Business Administration.
- (87) Assistant Secretaries of Housing and Urban Development (4).
- (88) General Counsel of the Department of Housing and Urban Development.
- (89) Commissioner of Interama.

§ 5316. Positions at level V.

Level V of the Executive Schedule applies to the following positions for which the annual rate of basic pay is **[\$26,000] \$28,000**:

- (1) Administrator, Agricultural Marketing Service, Department of Agriculture.
- (2) Administrator, Agricultural Research Service, Department of Agriculture.
- (3) Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture.
- (4) Administrator, Farmers Home Administration.
- (5) Administrator, Foreign Agricultural Service, Department of Agriculture.
- (6) Administrator, Rural Electrification Administration, Department of Agriculture.
- (7) Administrator, Soil Conservation Service, Department of Agriculture.
- (8) Administrator, Bonneville Power Administration, Department of the Interior.
- (9) Administrator of the National Capital Transportation Agency.
- (10) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (11) Associate Administrators of the Small Business Administration (3).
- (12)-(14) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (15) Associate Administrator for Advanced Research and Technology, National Aeronautics and Space Administration.
- (16) Associate Administrator for Space Science and Applications, National Aeronautics and Space Administration.
- (17) Associate Administrator for Manned Space Flight, National Aeronautics and Space Administration.
- (18) Associate Deputy Administrator, National Aeronautics and Space Administration.
- (19) Deputy Associate Administrator, National Aeronautics and Space Administration.
- (20) Associate Deputy Administrator of Veterans' Affairs.
- (21) Archivist of the United States.
- (22) Repealed—Pub. L. 90-83.
- (23) Assistant Secretary of Agriculture for Administration.
- (24) Assistant Secretary of Health, Education, and Welfare for Administration.
- (25) Assistant Secretary of the Interior for Administration.

- (26) Assistant Attorney General for Administration.
- (27) Assistant Secretary of Labor for Administration.
- (28) Assistant Secretary of the Treasury for Administration.
- (29) Assistant General Manager, Atomic Energy Commission.
- (30) Assistant and Science Adviser to the Secretary of the Interior.
- (31) Chairman, Foreign Claims Settlement Commission of the United States.
- (32) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.
- (33) Chairman of the Renegotiation Board.
- (34) Chairman of the Subversive Activities Control Board.
- (35) Chief Counsel for the Internal Revenue Service, Department of the Treasury.
- (36) Chief Forester of the Forest Service, Department of Agriculture.
- (37) Chief Postal Inspector, Post Office Department.
- (38) Repealed. Pub. L. 90-83.
- (39) Commissioner of Customs, Department of the Treasury.
- (40) Commissioner, Federal Supply Service, General Services Administration.
- (41) Commissioner of Education, Department of Health, Education, and Welfare.
- (42) Commissioner of Fish and Wildlife, Department of the Interior.
- (43) Commissioner of Food and Drugs, Department of Health, Education, and Welfare.
- (44) Commissioner of Immigration and Naturalization, Department of Justice.
- (45) Commissioner of Indian Affairs, Department of the Interior.
- (46) Repealed. Pub. L. 90-9.
- (47) Commissioners, Indian Claims Commission (5).
- (48) Commissioner of Patents, Department of Commerce.
- (49) Commissioner, Public Buildings Service, General Services Administration.
- (50) Commissioner of Reclamation, Department of the Interior.
- (51) Commissioner of Social Security, Department of Health, Education, and Welfare.
- (52) Commissioner of Vocational Rehabilitation, Department of Health, Education, and Welfare.
- (53) Commissioner of Welfare, Department of Health, Education, and Welfare.
- (54) Director, Advanced Research Projects Agency, Department of Defense.
- (55) Director of Agricultural Economics, Department of Agriculture.
- (56) Director, Bureau of the Census, Department of Commerce.
- (57) Director, Bureau of Mines, Department of the Interior.
- (58) Director, Bureau of Prisons, Department of Justice.
- (59) Director, Geological Survey, Department of the Interior.
- (60) Director, Research and Development, Post Office Department.
- (61) Director, National Bureau of Standards, Department of Commerce.

- (62) Director of Regulation, Atomic Energy Commission.
- (63) Director of Science and Education, Department of Agriculture.
- (64) Deputy Under Secretary for Monetary Affairs, Department of the Treasury.
- (65) Deputy Commissioner of Internal Revenue, Department of the Treasury.
- (66) Deputy Director, National Science Foundation.
- (67) Deputy Director, Policy and Plans, United States Information Agency.
- (68) Deputy General Counsel, Department of Defense.
- (69) Deputy General Manager, Atomic Energy Commission.
- (70) Associate Director of the Federal Mediation and Conciliation Service.
- (71) Associate Director for Volunteers, Peace Corps.
- (72) Associate Director for Program Development and Operations, Peace Corps.
- (73) Assistants to the Director of the Federal Bureau of Investigation, Department of Justice (2).
- (74) Assistant Directors, Office of Emergency Planning (3).
- (75) Assistant Directors, United States Arms Control and Disarmament Agency (4).
- (76) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (77) Fiscal Assistant Secretary of the Treasury.
- (78) General Counsel of the Agency for International Development.
- (79) General Counsel of the Department of the Air Force.
- (80) General Counsel of the Department of the Army.
- (81) General Counsel of the Atomic Energy Commission.
- (82) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (83) Repealed. Pub. L. 90-83.
- (84) General Counsel of the Department of the Navy.
- (85) General Counsel of the United States Arms Control and Disarmament Agency.
- (86) General Counsel of the National Aeronautics and Space Administration.
- (87) Governor of the Canal Zone.
- (88) Manpower Administrator, Department of Labor.
- (89) Maritime Administrator, Department of Commerce.
- (90) Members, Foreign Claims Settlement Commission of the United States.
- (91) Members, Renegotiation Board.
- (92) Members, Subversive Activities Control Board.
- (93) Members, United States Tariff Commission.
- (94) Repealed. Pub. L. 90-83.
- (95) Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.
- (96) Deputy Directory of Defense Research and Engineering, Department of Defense (4).
- (97) Assistant Administrator of General Services.
- (98) Director, United States Travel Service, Department of Commerce.

(99) Executive Director of the United States Civil Service Commission.

(100) Administrator, Wage and Hour and Public Contracts Division, Department of Labor.

(101) Assistant Director (Program Planning, Analysis and Research), Office of Economic Opportunity.

(102) Assistant General Managers, Atomic Energy Commission (2).

(103) Associate Director (Policy and Plans), United States Information Agency.

(104) Chief Benefits Director, Veterans' Administration.

(105) Commissioner of Labor Statistics, Department of Labor.

(106) Deputy Director, National Security Agency.

(107) Director, Bureau of Land Management, Department of the Interior.

(108) Director, National Park Service, Department of the Interior.

(109) Director of International Scientific Affairs, Department of State.

(110) General Counsel of the Veterans' Administration.

(111) Members, Equal Employment Opportunity Commission (4).

(112) National Export Expansion Coordinator, Department of Commerce.

(113) Special Assistant to the Secretary of Defense.

(114) Staff Director, Commission on Civil Rights.

(115) United States Attorney for the Northern District of Illinois.

(116) United States Attorney for the Southern District of California.

(117) Assistant Secretary for Administration, Department of Transportation.

(118) Director, United States National Museum, Smithsonian Institution.

(119) Director, Smithsonian Astrophysical Observatory, Smithsonian Institution.

(120) Administrator for Economic Development.

(121) Administrator of the Environmental Science Services Administration.

(122) Assistant Secretary of Housing and Urban Development for Administration.

(123) Director, Construction Engineering, Post Office Department.

(124) Director, National Highway Safety Bureau.

(125) Director, National Traffic Safety Bureau.

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§ 5332. The General Schedule.

(a) The General Schedule, the symbol for which is "GS," is the basic pay schedule for positions to which this subchapter applies. Each employee to whom this subchapter applies is entitled to basic pay in accordance with the General Schedule.

GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,609	\$3,731	\$3,853	\$3,975	\$4,097	\$4,219	\$4,341	\$4,463	\$4,585	\$4,707
GS-2.....	3,925	4,058	4,191	4,324	4,457	4,590	4,723	4,856	4,989	5,122
GS-3.....	4,269	4,413	4,557	4,701	4,845	4,989	5,133	5,277	5,421	5,565
GS-4.....	4,776	4,936	5,096	5,256	5,416	5,576	5,736	5,896	6,056	6,216
GS-5.....	5,531	5,507	5,683	5,859	6,035	6,211	6,387	6,563	6,739	6,916
GS-6.....	5,867	6,065	6,263	6,461	6,659	6,857	7,055	7,253	7,451	7,649
GS-7.....	6,451	6,664	6,877	7,090	7,303	7,516	7,729	7,942	8,155	8,368
GS-8.....	7,068	7,303	7,538	7,773	8,008	8,243	8,478	8,713	8,948	9,183
GS-9.....	7,696	7,957	8,218	8,479	8,740	9,001	9,262	9,523	9,784	10,045
GS-10.....	8,421	8,709	8,997	9,285	9,573	9,861	10,149	10,437	10,725	11,013
GS-11.....	9,221	9,536	9,851	10,166	10,481	10,796	11,111	11,426	11,741	12,056
GS-12.....	10,927	11,306	11,685	12,064	12,443	12,822	13,201	13,580	13,959	14,338
GS-13.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561	16,009	16,457	16,905
GS-14.....	15,106	15,629	16,152	16,675	17,198	17,721	18,244	18,767	19,290	19,813
GS-15.....	17,550	18,157	18,764	19,371	19,978	20,585	21,192	21,799	22,406	23,013
GS-16.....	20,075	20,745	21,415	22,085	22,755	23,425	24,095	24,765	25,435	-----
GS-17.....	22,760	23,520	24,280	25,040	25,800	-----	-----	-----	-----	-----
GS-18.....	25,890	-----	-----	-----	-----	-----	-----	-----	-----	-----

GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,616	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,334	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17.....	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18.....	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

§ 5545. Night, Sunday, standby, irregular, and hazardous duty differential.

(a) Except as provided by subsection (b) of this section, nightwork is regularly scheduled work between the hours of 6:00 p.m. and 6:00 a.m., and includes—

(1) periods of absence with pay during these hours due to holidays; and

(2) periods of leave with pay during these hours if the periods of leave with pay during a pay period total less than 8 hours.

Except as otherwise provided by subsection (c) of this section, an employee is entitled to pay for nightwork at his rate of basic pay plus premium pay amounting to 10 percent of that basic rate. This subsection and subsection (b) of this section do not modify section 180 of title 31, or other statute authorizing additional pay for nightwork.

(b) The head of an agency may designate a time after 6:00 p.m. and a time before 6:00 a.m. as the beginning and end, respectively, of nightwork for the purpose of subsection (a) of this section, at a post outside the United States where the customary hours of business extend into the hours of nightwork provided by subsection (a) of this section.

(c) The head of an agency, with the approval of the Civil Service Commission, may provide that—

(1) an employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for irregular, unscheduled overtime duty in excess of his regularly scheduled weekly tour. Premium pay under this paragraph is determined as an appropriate percentage, **[not in excess of 25 percent]** *not less than 20 per centum or more than 30 per centum*, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS-10, by taking into consideration the number of hours of actual work required in the position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of the position are made more onerous by night, Sunday, or holiday work, or by being extended over periods of more than 40 hours a week, and other relevant factors; or

* * * * *

§ 8332. Creditable service.

* * * * *

(k)(1) An employee who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of employees as defined by section 8331(1) of this title, *or of a "labor organization" as defined by paragraph (3) of this subsection*, within 60 days after entering on that leave without pay, may file with his employing agency an election to receive full retirement credit for his periods of that leave without pay and arrange to pay currently into the Fund, through his employing agency, amounts equal to the retirement deductions and agency contributions that would be applicable if he were in pay status. If the election and all payments provided by this paragraph are not made, the employee may not receive credit for the periods of leave without pay occurring after July 17, 1966, notwithstanding the second sentence of subsection (f) of this section. **[For the purpose of the preceding sentence, "employee" includes an employee who was on approved leave without pay and serving as a fulltime officer or employee of such an organization on July 18, 1966, and who filed a similar election before September 17, 1966.]**

(2) An employee may deposit with interest an amount equal to retirement deductions representing any period or periods of approved leave without pay while serving, before July 18 1966, as a full-time officer or employee of an organization composed primarily of employees as defined by section 8331(1) of this title. An employee who makes the deposit shall be allowed full retirement credit for the period

or periods of leave without pay. If the employee dies, a survivor as defined by section 8331(10) of this title may make the deposit. If the deposit is not made in full, retirement credit shall be allowed in accordance with the second sentence of subsection (f) of this section or of a "labor organization" as defined by paragraph (3) of this subsection.

(3) For the purposes of this subsection, "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, and includes a national or international organization of which such labor organization is a member.

* * * * *

§ 8706. Termination of insurance.

* * * * *

(e) Notwithstanding subsections (a)–(c) of this section, an employee who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of employees as defined by section 8701(a) of this title, or of a "labor organization" as defined by section 8332(k)(3) of this title, within 60 days after entering on that leave without pay, may elect to continue his insurance and arrange to pay currently into the Employees' Life Insurance Fund, through his employing agency, both employee and agency contributions from the beginning of leave without pay. The employing agency shall forward the premium payments to the Fund. If the employee does not so elect, his insurance will continue during nonpay status and stop as provided by subsection (a) of this section.

* * * * *

§ 8906. Contributions.

(e)(1) An employee enrolled in a health benefits plan under this chapter who is placed in a leave without pay status may have his coverage and the coverage of members of his family continued under the plan for not to exceed 1 year under regulations prescribed by the Commission. The regulations may provide for the waiving of contributions by the employee and the Government.

(2) An employee who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of employees as defined by section 8901 of this title, or of a "labor organization" as defined by section 8332(k)(3) of this title, within 60 days after entering on that leave without pay, may file with his employing agency an election to continue his health benefits enrollment and arrange to pay currently into the Employees Health Benefits Fund, through his employing agency, both employee and agency contributions from the beginning of leave without pay. The employing agency shall forward the enrollment charges so paid to the Fund. If the employee does not so elect, his enrollment will continue during nonpay status and end as provided by paragraph (1) of this subsection and implementing regulations.

* * * * *

TITLE 38, UNITED STATES CODE

* * * * *

§ 4107. Grades and pay scales

(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

[SECTION 4103 SCHEDULE

[Assistant Chief Medical Director, \$25,890.

[Medical Director, \$22,760 minimum to \$25,800 maximum.

[Director, Nursing Service, \$17,550 minimum to \$23,013 maximum.

[Director, Chaplain Service, \$17,550 minimum to \$23,013 maximum.

[Chief Pharmacist, \$17,550 minimum to \$23,013 maximum.

[Chief Dietitian, \$17,550 minimum to \$23,013 maximum.]

Section 4103 Schedule

Assistant Chief Medical Director, \$27,055.

Medical Director, \$23,788 minimum to \$26,960 maximum.

Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

(b)(1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

[PHYSICIAN AND DENTIST SCHEDULE

[Director grade, \$20,075 minimum to \$25,435 maximum.

[Executive grade, \$18,730 minimum to \$24,355 maximum.

[Chief grade, \$17,550 minimum to \$23,013 maximum.

[Senior grade, \$15,106 minimum to \$19,813 maximum.

[Intermediate grade, \$12,873 minimum to \$16,905 maximum.

[Full grade, \$10,927 minimum to \$14,338 maximum.

[Associate grade, \$9,221 minimum to \$12,056 maximum.]

[NURSE SCHEDULE

[Assistant Director grade, \$15,106 minimum to \$19,813 maximum.

[Chief grade, \$12,873 minimum to \$16,905 maximum.

[Senior grade, \$10,297 minimum to \$14,338 maximum.

[Intermediate grade, \$9,221 minimum to \$12,056 maximum.

[Full grade, \$7,696 minimum to \$10,045 maximum.

[Associate grade, \$6,730 minimum to \$8,749 maximum.

[Junior grade, \$5,867 minimum to \$7,649 maximum.]

Physician and Dentist Schedule

Director grade, \$20,982 minimum to \$26,574 maximum.

Executive grade, \$19,576 minimum to \$25,444 maximum.

Chief grade, \$18,404 minimum to \$23,921 maximum.

Senior grade, \$15,841 minimum to \$20,593 maximum.

Intermediate grade, \$13,507 minimum to \$17,557 maximum.

Full grade \$11,461 minimum to \$14,899 maximum.

Associate grade, \$9,657 minimum to \$12,555 maximum.

Nurse Schedule

Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

Chief grade, \$13,507 minimum to \$17,557 maximum.

Senior grade, \$11,461 minimum to \$14,899 maximum.

Intermediate grade, \$9,657 minimum to \$12,555 maximum.

Full grade, \$8,054 minimum to \$10,475 maximum.

Associate grade, \$7,033 minimum to \$9,139.

Junior grade, \$6,137 minimum to \$7,982 maximum.

(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director for a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had seen service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to [the provisions of the Classification Act of 1949, as amended] chapter 51 and subchapter III of chapter 53 of title 5, United States Code.

* * * * *

FOREIGN SERVICE ACT OF 1946

(22 U.S.C. 867 AND 870)

* * * * *

SEC. 412. There shall be ten classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be at the rate provided by law for level IV of the Federal Executive Salary Schedule. The per annum salary of a career minister shall be at the rate provided by law for level V of such schedule. The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

Class 1.....	\$23,935	\$24,770	\$25,890				
Class 2.....	19,333	20,004	20,675	\$21,347	\$22,018	\$22,689	\$23,360
Class 3.....	15,841	16,391	16,941	17,491	18,041	18,591	19,141
Class 4.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561
Class 5.....	10,602	10,970	11,338	11,706	12,074	12,442	12,810
Class 6.....	8,843	9,147	9,451	9,755	10,059	10,363	10,667
Class 7.....	7,473	7,724	7,975	8,226	8,477	8,728	8,979
Class 8.....	6,451	6,664	6,877	7,090	7,303	7,516	7,729

Class 1.....	\$24,944	\$25,776	\$27,055				
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4.....	13,607	13,957	14,407	14,857	15,307	15,757	16,207
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7.....	7,815	8,076	8,336	8,596	8,856	9,116	9,376
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084

* * * * *

SEC. 415. (a) There shall be ten classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum salaries of such staff officers and employees within each class shall be as follows:

Class 1.....	\$15,841	\$16,391	\$16,941	\$17,491	\$18,041	\$18,591	\$19,141	\$19,691	\$20,241	\$20,791
Class 2.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561	16,009	16,457	16,905
Class 3.....	10,602	10,970	11,338	11,706	12,074	12,442	12,810	13,178	13,546	13,914
Class 4.....	8,843	9,147	9,451	9,755	10,059	10,363	10,667	10,971	11,275	11,579
Class 5.....	7,974	8,246	8,518	8,790	9,062	9,334	9,606	9,878	10,150	10,422
Class 6.....	7,201	7,441	7,681	7,921	8,161	8,401	8,641	8,881	9,121	9,361
Class 7.....	6,614	6,832	7,050	7,268	7,486	7,704	7,922	8,140	8,358	8,576
Class 8.....	5,853	6,051	6,249	6,447	6,645	6,843	7,041	7,239	7,437	7,635
Class 9.....	5,341	5,517	5,693	5,869	6,045	6,221	6,397	6,573	6,749	6,925
Class 10.....	4,776	4,936	5,096	5,256	5,416	5,576	5,736	5,896	6,056	6,216

Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

* * * * *

TITLE 28, UNITED STATES CODE

* * * * *

§ 603. Salaries.

[The Director shall receive a salary of \$27,000 a year. The Deputy Director shall receive a salary of \$26,000 a year.]

The salary of the Director shall be the same as the salary of a United States District Judge. The salary of the Deputy Director shall be in the same amount as the rate of basic pay for level V of the Executive Schedule in title 5.

* * * * *

THIRD PARAGRAPH UNDER THE HEADING "OFFICE OF THE ARCHITECT OF THE CAPITOL" IN THE LEGISLATIVE BRANCH APPROPRIATION ACT, 1960 (73 STAT. 407)

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

* * * * *

Hereafter, the Architect of the Capitol is authorized, without regard to the Classification Act of 1949, as amended, to fix the compensation of three positions under the appropriation "Salaries, Office of the Architect of the Capitol", of one position under the appropriation "Capitol Buildings", and of one position under the appropriation "House Office Buildings" at a basic rate of **[\$7,700]** \$8,200 per annum each: *Provided*, That this provision shall not be applicable to the positions of Architect, Assistant Architect, or Second Assistant Architect of the Capitol.

SECTION 203 OF THE FEDERAL LEGISLATIVE SALARY ACT OF 1964 (78 STAT. 415)

SEC. 203. (a) The compensation of the Comptroller General of the United States shall be at the rate of \$30,000 per annum.

(b) The compensation of the Assistant Comptroller General of the United States shall be at the rate of **[\$28,500]** \$29,500 per annum.

(c) The compensation of the General Counsel of the United States General Accounting Office, the Librarian of Congress, the Public Printer, and the Architect of the Capitol shall be at the rate of **[\$27,000]** \$28,750 per annum.

(d) The compensation of the Deputy Librarian of Congress, the Deputy Public Printer, and the Assistant Architect of the Capitol shall be at the rate of **[\$25,500]** \$27,500 per annum.

(e) The compensation of the Second Assistant Architect of the Capitol shall be at the rate of **[\$23,500]** \$25,000 per annum.

(f) The compensation of the Chaplain of the House of Representatives shall be at the rate of \$12,500 per annum.

(g) The compensation of the Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel of the Senate shall be at the rate of \$27,500 per annum.

(h) The compensation of the Chaplain of the Senate shall be at the rate of \$15,000 per annum.

○

Union Calendar No. 279

90TH CONGRESS
1ST SESSION

H. R. 7977

[Report No. 722]

IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 1967

Mr. DULSKI introduced the following bill; which was referred to the Committee on Post Office and Civil Service

SEPTEMBER 28, 1967

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To adjust certain postage rates, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE AND TABLE OF CONTENTS

4 SECTION 1. This Act, divided into sections according to
5 the following table of contents, may be cited as the "Postal
6 Revenue Act of 1967".

TABLE OF CONTENTS

See:

1. Short title and table contents.
2. First-class mail.
3. Airmail.
4. Nonmachinable mail.
5. Second-class rates within county of publication.
6. Second-class rates beyond county of publication.
7. Second-class transient mail.
8. Controlled circulation publication.
9. Third-class mail.
10. Special rate fourth-class mail.
11. Keys and other small articles.
12. Special handling service.
13. Separation by mailer of second-class mail.
14. Effective dates.

FIRST-CLASS MAIL

1

2 SEC. 2. ~~(a)~~ Section 4253 of title 39, United States
3 Code, is amended—

4 ~~(1)~~ by striking out the words “The rate of postage
5 on first-class mail is 5 cents” in subsection ~~(a)~~ and
6 inserting in lieu thereof “Subject to section 4061 of this
7 title, the rate of postage on first-class mail weighing
8 twelve ounces or less is 6 cents”;

9 ~~(2)~~ by striking out the words “4 cents” wherever
10 appearing in subsection ~~(a)~~ and inserting in lieu thereof
11 the words “5 cents”;

12 ~~(3)~~ by striking out the words “subsection ~~(a)~~”
13 in subsection ~~(b)~~ and inserting in lieu thereof the words
14 “subsections ~~(a)~~ and ~~(b)~~”;

15 ~~(4)~~ by redesignating subsection ~~(b)~~ as subsection
16 ~~(c)~~; and

~~(5)~~ by inserting a new subsection ~~(b)~~ immediately after subsection ~~(a)~~ as follows:

~~“(b) First-class mail weighing more than twelve ounces shall be mailed at the rates of postage established by subsection ~~(d)~~ of section 4303 of this title and shall be entitled to the most expeditious handling and transportation practicable.”~~

~~(b)~~ Section 4252 of title 39, United States Code, is repealed.

~~(c)~~ The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—
~~“4252. Weight limit.”~~

AIRMAIL

SEC. 3. ~~(a)~~ Subsections ~~(a)~~ and ~~(b)~~ of section 4303 of title 39, United States Code, are amended to read as follows:

~~“(a) Except as provided in sections 4061 and 4304 of this title and subsection ~~(b)~~ of this section, the rate of postage on domestic airmail weighing not more than eight ounces is 9 cents for each ounce or fraction thereof.~~

~~“(b) The rate of postage on each postal card and post card sent as domestic airmail is 7 cents.”~~

~~(b)~~ Subsection ~~(d)~~ of section 4303 of title 39, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

“(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following table:

	“Zones					
	Local, 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Over 1 lb. but not over 1½ lbs.....	.96	.99	1.05	1.11	1.15	1.22
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

“Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80”;

(2) by deleting paragraph (2) and renumbering paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively; and

(3) by striking out “paragraphs (4) and (5)” in the renumbered paragraph (5) and inserting in lieu thereof “paragraphs (3) and (4)”.

NONMACHINABLE MAIL

SEC. 4. (a) Chapter 53 of title 39, United States Code, is amended—

(1) by adding at the end thereof the following new section:

“§ 4061. Nonmachinable mail

“(a) Nonmachinable mail means mail which has size dimensions greater than five and three-fourths inches wide or eleven and one-half inches long, nonuniform thickness or thickness which exceeds one-fourth inch, and ratio of width to length of less than one to one and four hundred and fourteen one-thousandths but does not include mail which the Postmaster General finds can readily be handled by mail-processing machinery of the postal field service.

“(b)(1) Nonmachinable airmail and nonmachinable mail of the first class weighing not more than two ounces shall be subject to an additional postage charge equal to the minimum postage rate for the same class of mail.

“(2) Nonmachinable mail of the third class mailed at the individual piece rate under section 4452 of this title shall be subject to a minimum postage charge in an amount double the rate of postage prescribed in section 4452(a) for the first two ounces. The minimum postage charge on nonmachinable mail of the third class shall not apply to nonmachinable merchandise samples mailed in substantial quantities within the meaning of section 4454(a) of this title.

“(3) On nonmachinable mail of the third class mailed in bulk in accordance with section 4452 of this title, the

1 minimum charge for each piece prescribed in subsection (b)
 2 thereof shall be increased by 0.3 cent when mailed by a qual-
 3 ified nonprofit organization and 0.6 cent in any other case.”;
 4 and

5 ~~(2)~~ by adding to the table of contents the following:
 “4061. Nonmachinable mail.”

6 ~~(b)~~ The postage charges provided in section 4061 of
 7 title 39, United States Code, as added by this section, shall
 8 apply to matter mailed on and after July 1, 1969.

9 ~~SECOND-CLASS MAIL WITHIN COUNTY OF PUBLICATION~~

10 SEC. 5. Section 4358 of title 39, United States Code,
 11 is amended—

12 ~~(1)~~ by striking out subsection ~~(a)~~ and inserting
 13 in lieu thereof the following:

14 “~~(a)~~ Except as provided in subsection ~~(b)~~, the rate of
 15 postage on publications admitted as second-class mail when
 16 addressed for delivery within the county in which they are
 17 published and entered in as follows:

“[In cents]”			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2”

18 and

19 ~~(2)~~ by striking out the word “entered” in subsec-
 20 tion ~~(b)~~ and inserting in lieu thereof “have original
 21 entry”.

SECOND-CLASS MAIL BEYOND COUNTY OF PUBLICATION

SEC. 6. Section 4359 of title 39, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following:

“(b)(1) Except as otherwise provided in this section, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

“[In cents]

	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3

“(2) The postage on classroom publications is 60 per centum of the postage computed in accordance with paragraph (1).

“(3) The rates of postage on publications of qualified nonprofit organizations mailed in accordance with subsection (a) are as follows:

“[In cents]

	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound when the advertising portion is—			
10 per centum or less.....	1.9	2.0	2.1
Over 10 per centum but not more than 20 per centum.....	2.0	2.1	2.2
Over 20 per centum but not more than 30 per centum.....	2.0	2.2	2.3
Over 30 per centum but not more than 40 per centum.....	2.0	2.2	2.4
Over 40 per centum but not more than 50 per centum.....	2.1	2.3	2.5
Over 50 per centum but not more than 60 per centum.....	2.1	2.3	2.6
Over 60 per centum but not more than 70 per centum.....	2.1	2.4	2.7
Over 70 per centum.....	2.1	2.5	2.8
Minimum charge per piece.....	.2	.2	.2

“(4) In lieu of the minimum charge per piece pre-

scribed by paragraph (1), the minimum charge per piece for publications (other than publications to which paragraphs (2) and (3) are applicable) when fewer than five thousand copies are mailed outside the county of publication is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter."

SECOND-CLASS TRANSIENT MAIL

SEC. 7. Section 4362 of title 39, United States Code, is amended by striking out "4 cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 8. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

" [In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8"

THIRD-CLASS MAIL

SEC. 9. (a) Subsection (a) of section 4452 of title 39, United States Code, is amended to read as follows:

1 “(a) Except as provided in section 4061 of this title
2 and subsection (e) of this section, and subject to the mini-
3 mum charge per piece provided in subsection (b) of this
4 section, the postage rates on third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed prior to Jan. 1, 1968	Mailed on and after Jan. 1, 1968	
(1) Individual piece.....	<i>Cents</i> 5 2	<i>Cents</i> 5 2	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of: (A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.....	12 18	16 22	Each pound or fraction thereof. Do.”.
(B) Other matter.....			

5 ~~(b)~~ Subsection ~~(b)~~ of section 4452 of title 39, United
6 States Code, is amended to read as follows:

7 ~~“(b) Matter mailed in bulk under subsection (e) of~~
8 ~~this section is subject to a minimum charge for each piece.~~
9 ~~Subject to section 4061 of this title, the minimum charge~~
10 ~~for each piece is 3.8 cents, except that the minimum charge~~
11 ~~for each piece on such matter mailed by qualified nonprofit~~
12 ~~organizations is 1.9 cents.”~~

13 ~~(e)~~ Subsection ~~(e)~~ of section 4452 of title 39, United
14 States Code, is amended by striking out “identical pieces of
15 third-class mail” and inserting in lieu thereof “identical
16 pieces of third-class mail, other than nonmachinable mer-
17 chandise samples as defined in section 4454 of this title,”.

18 ~~(d)~~ Chapter 65 of title 39, United States Code, is
19 amended—

(1) by adding at the end thereof the following
new section:

“§ 4454. Merchandise samples

“(a) Nonmachinable merchandise samples mailed in substantial quantities as defined by the Postmaster General, shall be accepted as third-class mail only when addressed and presented for mailing prepared in the manner prescribed by the Postmaster General.

“(b) The term ‘nonmachinable merchandise sample’, as used in this section and in section 4452 of this title, means any piece of nonmachinable mail, within the meaning of section 4061 of this title, containing an article given away for the purpose of advertising an article of merchandise which it represents in whole or in part.”; and

(2) by adding to the table of contents of such chapter 65 the following:

“4454. Merchandise samples.”

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 10. Section 4554 of title 39, United States Code, is amended by—

(1) striking out “9½ cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after January 6, 1963 and prior to January 1, 1964, and 10 cents for the first pound or fraction thereof and 5 cents for each

additional pound or fraction thereof when mailed after December 31, 1963" in subsection (a) and inserting in lieu thereof "16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof";

(2) striking out "4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof" in paragraph (1) of subsection (b) and inserting in lieu thereof "8 cents for the first two pounds or fraction thereof and 3 cents for each additional pound or fraction thereof"; and

(3) striking out subsection (c) and inserting the following new subsection (c) in lieu thereof:

"(c) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

KEYS AND OTHER SMALL ARTICLES

SEC. 11. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof and 7 cents for each additional two ounces or fraction thereof."

1 SPECIAL HANDLING SERVICE

2 SEC. 12. Section 6008 of title 39, United States Code,
3 is amended to read as follows:

4 **“§ 6008. Special handling**

5 “Upon payment of a special handling fee, third-class
6 mail and fourth-class mail are entitled to the most expedi-
7 tious handling and transportation practicable, but such mail
8 is not required to receive the same handling and transporta-
9 tion as air mail.”

10 SEPARATION BY MAILER OF SECOND-CLASS MAIL

11 SEC. 13. Section 4363 of title 39, United States Code,
12 is amended to read as follows:

13 **“§ 4363. Separation by mailer of second-class mail**

14 “Publishers and news agents shall mail second-class mat-
15 ter in the manner directed by the Postmaster General.”

16 EFFECTIVE DATES

17 SEC. 14. (a) Sections 1, 4, and 13, and this section of
18 this Act shall become effective upon enactment of this Act.

19 (b) Sections 2, 3, 7, 9(a), 10, 11, and 12 of this Act
20 shall become effective July 1, 1967.

21 (c) Sections 5, 6, and 8, and subsections (b), (c), and
22 (d) of section 9 of this Act shall become effective Jan-
23 uary 1, 1968.

24 *That this Act may be cited as the “Postal Revenue and Fed-*
25 *eral Salary Act of 1967”.*

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

“§ 4252. *Size and weight limits*

“The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

“§ 4253. *Postage rates on first-class mail*

“(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

“(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

“(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251 (c) of this title is 5 cents.

“(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an addi-

1 tional charge thereon of 2 cents for each piece weighing two
2 ounces or less and 5 cents for each piece weighing more than
3 two ounces. The postage and charge shall be collected on
4 delivery.”.

5 (b) Subparagraphs (A) and (B) of section 4169(a)
6 (1) of title 39, United States Code, are amended to read as
7 follows:

8 “(A) the letter or sound-recorded communication
9 is mailed by the member at an Armed Forces post office
10 established under section 705(d) of this title which is
11 located at a place outside the forty-eight contiguous
12 States of the United States; or

13 “(B) the member is hospitalized in a facility under
14 the jurisdiction of the Armed Forces of the United States
15 as a result of disease or injury incurred while on active
16 duty; or”.

17 (c) Subparagraph (D) of paragraph (2) of section
18 4169(a) of title 39, United States Code, is amended to
19 read as follows:

20 “(D) the letter or sound-recorded communication
21 is mailed by the member—

22 “(i) at an Armed Forces post office estab-
23 lished under section 705(d) of this title which is
24 located at a place outside the forty-eight contiguous
25 States of the United States; or

26 “(ii) while hospitalized in a facility under the

jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred while in the services with, or in, a unit under operational control of a command of the Armed Forces of the United States; and”.

(d) Section 4251(a) of title 39, United States Code, is amended by striking out “and (4)” and inserting in lieu thereof “(4) bills and statements of account, and (5)”.

(e) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(f) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

“4252. Weight limit.”

and inserting in lieu thereof—

“4252. Size and weight limits.”.

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

“(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than seven ounces is 10 cents for each ounce or fraction thereof.

“(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents.”.

1 (b) Subsection (d) of section 4303 of title 39, United
2 States Code, is amended—

3 (1) by striking out paragraph (1) and inserting
4 in lieu thereof the following:

5 “(1) The rates of postage on air parcel post are based
6 on the eight zones described in section 4553, or prescribed
7 pursuant to section 4558, of this title in accordance with the
8 following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08.

9 For each pound or fraction of a pound in excess of five
10 pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.58
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.”;

11 (2) by deleting paragraph (2); and

12 (3) by striking out, in paragraph (5), subpara-
13 graphs (A), (B), and (C) and inserting in lieu thereof
14 the following:

15 “(A)(i) first-class letter mail (including postal
16 cards and post cards),

1 “(ii) sound-recorded communications having the
2 character of personal correspondence,

3 “(iii) parcels of any class of mail not exceeding
4 five pounds in weight and sixty inches in length and
5 girth combined, and

6 “(iv) second-class publications published once each
7 week or more frequently and featuring principally cur-
8 rent news of interest to members of the Armed Forces
9 and the general public,

10 which are mailed at or addressed to any such Armed Forces
11 post office; and

12 “(B) parcels of any class of mail exceeding five
13 pounds but not exceeding seventy pounds in weight and
14 not exceeding one hundred inches in length and girth
15 combined, including surface-type official mail, which
16 are mailed at or addressed to any such Armed Forces
17 post office where adequate surface transportation is not
18 available.”.

19 (c) Section 4303(f) of title 39, United States Code, is
20 amended by striking out “the Virgin Islands or the Canal
21 Zone” wherever appearing therein and inserting in lieu
22 thereof “or the Virgin Islands”.

23 (d) Section 4301(2) of title 39, United States Code,

1 is amended by striking out the word "eight" and inserting
2 in lieu thereof the figure "7".

3 SECOND-CLASS MAIL PREFERRED RATES

4 SEC. 103. (a) Section 4358 of title 39, United States
5 Code, is amended—

6 (1) by striking out subsection (a) and inserting
7 in lieu thereof the following:

8 "(a) Except as provided in subsection (b), the rate
9 of postage on publications admitted as second-class mail
10 when addressed for delivery within the county in which they
11 are published and entered is as follows:

"[In cents]"

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2";

12 (2) by adding at the end thereof the following:

13 "(d) The rates of postage on publications mailed in
14 accordance with section 4359(a) of this title, of qualified
15 nonprofit organizations, are as follows:

"[In cents]"

	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

1 “(e) The postage on classroom publications, mailed in
2 accordance with section 4359(a) of this title, is 60 per
3 centum of the postage computed in accordance with section
4 4359(b) of this title.

5 “(f) The postage shall be 4.2 cents per pound on the
6 advertising portion of publications (1) which are mailed
7 for delivery in zones 1 and 2 in accordance with section
8 4359(a) of this title, (2) which are devoted to promoting
9 the science of agriculture, and (3) when the total number
10 of copies of the publications furnished during any twelve-
11 month period to subscribers residing in rural areas consists
12 of at least 70 per centum of the total number of copies
13 distributed by any means for any purpose.

14 “(g) In lieu of the minimum charge per piece prescribed
15 by section 4359(b) of this title, the minimum charge per
16 piece for publications (other than publications to which sub-
17 sections (d) and (e) of this section are applicable), when
18 fewer than five thousand copies are mailed outside the county
19 of publication, is 0.6 cent per piece when mailed during
20 the calendar year 1968, 0.7 cent per piece when mailed
21 during the calendar year 1969, and 0.8 cent per piece when
22 mailed thereafter.

23 “(h) The publisher of a classroom publication or of a

1 publication of a nonprofit organization, before being en-
2 titled to the rates for the publications, shall furnish such
3 proof of qualifications as the Postmaster General prescribes.

4 “(i) For the purposes of the application of this section
5 with respect to each publication having original entry at an
6 independent incorporated city, an incorporated city which
7 is situated entirely within a county, or which is situated
8 contiguous to one or more counties in the same State, but
9 which is politically independent of such county or counties,
10 shall be considered to be within and a part of the county
11 with which it is principally contiguous.

12 “(j) As used in this section—

13 “(1) ‘classroom publication’ means a religious,
14 educational, or scientific publication entered as second-
15 class mail and designed specifically for use in class-
16 rooms or in religious instruction classes;

17 “(2) ‘a publication of a qualified nonprofit orga-
18 nization’ means a publication published by and in the
19 interest of one of the following types of organizations or
20 associations if it is not organized for profit and none
21 of its net income inures to the benefit of any private
22 stockholder or individual: Religious, educational, scien-
23 tific, philanthropic, agricultural, labor, veterans’, frater-
24 nal, and associations of rural electric cooperatives, and

not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

“(3) ‘zones’ means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.”; and

(3) by amending the section heading to read as follows:

“§ 4358. *Rates of postage; preferred*”.

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

“4358. *Postage rates within county of publication.*”

and inserting in lieu thereof—

“4358. *Rates of postage; preferred.*”.

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

“(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

“[In cents]

	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2-----	4.5	4.8	5.1
Zone 3-----	5.6	5.9	6.3
Zone 4-----	7.7	8.2	8.7
Zone 5-----	9.9	10.5	11.1
Zone 6-----	12.0	12.8	13.6
Zone 7-----	12.8	13.7	14.5
Zone 8-----	15.0	16.0	17.0
Nonadvertising portion-----	3.0	3.2	3.4
Minimum charge per piece-----	1.1	1.2	1.3.

1 “(c) For the purpose of this section and section 4358
2 of this title, the portion of a publication devoted to adver-
3 tisements shall include all advertisements inserted in the
4 publication and attached permanently thereto, except such
5 advertisements as are subject to the provisions of section
6 4656 of this title.

7 “(d) (1) Publications mailed in accordance with sub-
8 section (a), upon request by the publisher or news agent,
9 may be transported by air on a space-available basis, on
10 scheduled United States air carriers at rates fixed and de-
11 termined by the Civil Aeronautics Board in accordance with
12 section 406 of the Federal Aviation Act of 1958 (49 U.S.C.
13 1376). The Postmaster General may authorize the trans-
14 portation of publications by air pursuant to this subsection
15 only when such transportation does not impede the trans-
16 portation of airmail, air parcel post, or first-class mail.

17 “(2) The Postmaster General shall prescribe from time
18 to time charges to be collected for matter transported by air
19 pursuant to this section. The charges—

“(A) shall be in addition to the payment of lawfully required postage;

“(B) may not be adjusted more frequently than once every two years; and

“(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation.

“(e) As used in this section the term ‘zones’ means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.”; and

(2) by amending the section heading to read as follows:

“§ 4359. Rates of postage; regular”.

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

“4359. Postage rates beyond county of publication.”

and inserting in lieu thereof—

“4359. Rates of postage; regular.”.

(c) Section 4369(a)(4) of title 39, United States Code, is amended by striking out “: Provided, however, That trade

1 publications serving the performing arts need only to furnish
2 such information to the Postmaster General”.

3 SECOND-CLASS TRANSIENT MAIL

4 SEC. 105. Section 4362 of title 39, United States Code,
5 is amended by striking out “four cents” and inserting in lieu
6 thereof “5 cents”.

7 CONTROLLED CIRCULATION PUBLICATIONS

8 SEC. 106. Section 4422 of title 39, United States Code,
9 is amended to read as follows:

10 “§ 4422. Rates of postage

11 “The rates of postage on controlled circulation publica-
12 tions found by the Postmaster General to meet the definition
13 contained in section 4421 of this title when mailed in the
14 manner prescribed by the Postmaster General are as follows:

“[In cents]			
	“Mailed dur- ing calendar year 1968	Mailed dur- ing calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8”.

15 THIRD-CLASS MAIL

16 SEC. 107. (a) Subsections (a) and (b) of section 4452
17 of title 39, United States Code, are amended to read as fol-
18 lows:

1 “(a) Except as otherwise provided in this section,
2 the postage rates of third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	Cents 6 2	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	2½	3.8	Per piece.
(ii) Qualified nonprofit organizations.	1.25	1.9	Do.

3 “(b) Matter mailed in bulk under subsection (e) of
4 this section is subject to a minimum charge for each piece.
5 The minimum charge for each piece on such matter is the
6 minimum charge prescribed by this section, as applicable,
7 except that the minimum charge is 1.3 cents per piece on
8 such matter mailed on and after January 7, 1968, by
9 qualified nonprofit organizations (1) which are organized for
10 charitable, religious, or general health purposes, and are
11 engaged predominantly in the accomplishment of such pur-
12 poses, or (2) when such matter consists wholly of solicita-
13 tions of funds to be used for charitable, religious, or general
14 health purposes.”.

15 (b) Subsection (b) of section 4451 of title 39, United

1 *States Code, relating to mailing certain bills and statements*
 2 *of account as third-class mail, is repealed.*

3 *SPECIAL RATE FOURTH-CLASS MAIL*

4 *SEC. 108. (a) Section 4554 of title 39, United States*
 5 *Code, is amended—*

6 *(1) by amending so much of subsection (a) as*
 7 *precedes subparagraph (3) thereof to read as follows:*

8 *“(a) Except as provided in subsection (b) of this*
 9 *section, the postage rate is 16 cents for the first two pounds*
 10 *or fraction thereof and 6 cents for each additional pound or*
 11 *fraction thereof, except that the rate now or hereafter pre-*
 12 *scribed for third- or fourth-class matter shall apply in every*
 13 *case where such rate is lower than the rate prescribed in*
 14 *this subsection on—*

15 *“(1) books, including books issued to supplement*
 16 *other books, consisting wholly of reading matter or*
 17 *reading matter with incidental blank spaces for nota-*
 18 *tions containing no advertising matter other than inci-*
 19 *dental announcement of books;*

20 *“(2) 16-millimeter or narrower width films, and*
 21 *catalogs of such films, except when sent to commercial*
 22 *theaters;”;*

23 *(2) by striking out in subsection (b)(1) “4 cents*
 24 *for the first pound or fraction thereof and 1 cent for each*
 25 *additional pound or fraction thereof” and inserting in*
 26 *lieu thereof “8 cents for the first two pounds or fraction*

1 *thereof and 3 cents for each additional pound or fraction*
 2 *thereof”;*

3 (3) *by inserting in subsection (c) “or narrower*
 4 *width” immediately following “16-millimeter”; and*

5 (4) *by amending subsection (e) to read as follows:*

6 “(e) *Articles may be mailed under this section in*
 7 *quantities of one thousand or more in a single mailing, as*
 8 *defined by the Postmaster General, only in the manner*
 9 *directed by him.”.*

10 (b) *The section heading of section 4554 of title 39,*
 11 *United States Code, is amended to read—*

12 “§ 4554. *Books, films, and other materials; preferred*
 13 *rates”.*

14 (c) *The table of contents of chapter 67 of title 39,*
 15 *United States Code, is amended by striking out—*

 “4554. *Postage rates on books and films.”*

16 *and inserting in lieu thereof—*

 “4554. *Books, films, and other materials; preferred rates.”.*

17 KEYS AND OTHER SMALL ARTICLES

18 SEC. 109. *Subsection (b) of section 4651 of title 39,*
 19 *United States Code, is amended by striking out “6 cents for*
 20 *each two ounces or fraction thereof” and inserting in lieu*
 21 *thereof “14 cents for the first two ounces or fraction thereof,*
 22 *and 7 cents for each additional two ounces or fraction*
 23 *thereof,”.*

1 *SPECIAL HANDLING SERVICE*

2 *SEC. 110. Section 6008 of title 39, United States Code,*
3 *is amended to read as follows:*

4 “§ 6008. *Special handling*

5 “Upon payment of a special handling fee, third-
6 class mail and fourth-class mail are entitled to the most ex-
7 peditious handling and transportation practicable, but such
8 mail is not required to receive the same handling and trans-
9 portation as airmail.”.

10 *SEPARATION BY MAILER OF SECOND-CLASS MAIL*

11 *SEC. 111. Section 4363 of title 39, United States Code,*
12 *is amended to read as follows:*

13 “§ 4363. *Separation by mailer of second-class mail*

14 “Publishers and news agents shall mail second-class mat-
15 ter in the manner directed by the Postmaster General.”.

16 *PRINTING ON SECOND-CLASS COVERS*

17 *SEC. 112. Section 4365 of title 39, United States Code,*
18 *is amended by adding a new subsection to read as follows:*

19 “(d) In addition to other matter authorized by this
20 section to be contained, enclosed, or inserted in second-class
21 mail, there may be included, in accordance with uniform
22 regulations which the Postmaster General shall prescribe, on
23 the envelopes, wrappers, and other covers in which copies of
24 publications are mailed, messages and notices of a civic or
25 public-service nature, if no charge is made for the inclusion of

1 *such messages and notices on such envelopes, wrappers, and*
 2 *covers.”.*

3 *ADDITIONAL ENTRY POINTS*

4 *SEC. 113. Section 4358 of title 39, United States Code,*
 5 *is amended by adding at the end thereof a new subsection to*
 6 *read as follows:*

7 *“(k) The rates of postage prescribed by subsections (a)*
 8 *and (b) of this section shall apply only to mailings within*
 9 *the county in which the publications have original entry.”.*

10 *MAIL MATTER FOR BLIND AND OTHER HANDICAPPED*

11 *PERSONS*

12 *SEC. 114. (a) Chapter 69 of title 39, United States*
 13 *Code, is amended by striking out sections 4653 and 4654*
 14 *thereof and inserting in lieu thereof the following:*

15 *“§ 4653. Matter for blind and other handicapped persons*

16 *“(a) The matter described in subsection (b) (other*
 17 *than matter mailed under section 4654 of this title) may*
 18 *be mailed free of postage, if—*

19 *“(1) the matter is for the use of the blind or other*
 20 *persons who cannot use or read conventionally printed*
 21 *material because of a physical impairment;*

22 *“(2) no charge, or rental, subscription, or other*
 23 *fee, is required for such matter or a charge, or rental,*
 24 *subscription, or other fee is required for such matter*
 25 *not in excess of the cost thereof;*

1 “(3) the matter may be opened by the Postmaster
2 General for inspection;

3 “(4) the matter contains no advertising; and

4 “(5) the matter is mailed subject to size and weight
5 limitations prescribed by the Postmaster General.

6 “(b) The free mailing privilege provided by subsection
7 (a) is extended to—

8 “(1) reading matter and musical scores;

9 “(2) sound reproductions;

10 “(3) paper, records, tapes, and other material for
11 the production of reading matter, musical scores, or
12 sound reproductions;

13 “(4) reproducers or parts thereof, for sound repro-
14 ductions; and

15 “(5) Braille writers, typewriters, educational or
16 other materials or devices, or parts thereof, used for writ-
17 ing by, or specifically designed or adapted for use of, a
18 blind person or a person having a physical impairment
19 as described in subsection (a)(1) of this section.

20 “§ 4654. **Unsealed letters sent by blind or physically hand-**
21 **icapped persons**

22 “Unsealed letters sent by a blind person or a person
23 having a physical impairment, as described in section
24 4653(a)(1) of this title, in raised characters or sightsaving
25 type, or in the form of sound recordings, may be mailed free
26 of postage.

1 “§ 4655. *Markings*

2 “All matter relating to blind or other handicapped per-
3 sons mailed under section 4653, or section 4654, of this title,
4 shall bear the words ‘Free Matter for the Blind or Handi-
5 capped’, or words to that effect specified by the Postmaster
6 General, in the upper right-hand corner of the address area.”.

7 (b) The table of contents of chapter 69 of title 39,
8 United States Code, is amended by striking out—

“4653. *Publications for the blind.*

“4654. *Reproducers and sound reproduction records for the blind.*”

9 and inserting in lieu thereof—

“4653. *Matter for blind and other handicapped persons.*

“4654. *Unsealed letters sent by blind or physically handicapped persons.*

“4655. *Markings.*”.

10 (c) Section 4451(d) of title 39, United States Code, is
11 repealed.

12 ENCLOSURES MAILED WITH SECOND-CLASS PUBLICATIONS

13 SEC. 115. Chapter 69 of title 39, United States Code,
14 is amended—

15 (1) by adding at the end thereof the following new
16 section:

17 “§ 4656. *Enclosures mailed with second-class publications*

18 “Bills or receipts mailed with publications entered as
19 second-class mail, either loose or bound in the publications,
20 and advertising supplements mailed with such publications,
21 shall be charged postage at first, third, or fourth-class rates,
22 as appropriate, had such matter been mailed other than with
23 the publications.”; and

1 (2) by adding to the table of contents the following:
 2 “4656. *Enclosures mailed with second-class publications.*”.

3 MAILING PRIVILEGE OF MEMBERS OF ARMED FORCES

4 SEC. 116. (a) Chapter 57 of title 39, United States
 5 Code, is amended by adding at the end thereof the following
 6 new section:

7 “§ 4170. *Mailing privilege of members of United States*
 8 *Armed Forces and of friendly foreign nations*
 9 *in the Canal Zone*

10 “(a) For the purposes of sections 4169(a), 4303(d)
 11 (5), and 4560 of this title, each post office in the Canal
 12 Zone postal service, to the extent that it provides mail service
 13 for members of the United States Armed Forces and of
 14 friendly foreign nations, shall be considered to be an Armed
 15 Forces post office established under section 705(d) of this
 16 title.

17 “(b) The Department of Defense shall reimburse the
 18 postal service of the Canal Zone, out of any appropriations
 19 or funds available to the Department of Defense, as a neces-
 20 sary expense of the appropriations or funds and of the
 21 activities concerned, the equivalent amount of postage due,
 22 and sums equal to the expenses incurred by, the postal service
 23 of the Canal Zone, as determined by the Governor of the
 24 Canal Zone, for matter sent in the mails, and in providing
 air transportation of mail, under such sections.”.

1 (b) The table of contents of chapter 57 of title 39,
2 United States Code, is amended by adding—

 “4170. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations in the Canal Zone.”

3 immediately below—

 “4169. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations.”.

4 SEC. 117. (a) Chapter 67 of title 39, United States
5 Code, is amended by adding at the end thereof the following
6 new section:

7 “§ 4560. Air transportation of parcels mailed at or ad-
8 dressed to Armed Forces post offices

9 “Any parcel, other than a parcel mailed airmail or as
10 air parcel post, not exceeding thirty pounds in weight and
11 sixty inches in length and girth combined, which is mailed
12 at or addressed to any Armed Forces post office established
13 under section 705(d) of this title shall be transported by
14 air on a space-available basis, on scheduled United States air
15 carriers at rates fixed and determined by the Civil Aeronau-
16 tics Board in accordance with section 406 of the Federal
17 Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in
18 addition to the regular surface rate of postage, of a special fee
19 to be prescribed by the Postmaster General for such trans-
20 portation by air. Whenever adequate service by scheduled
21 United States air carriers is not available to provide trans-

1 portation of mail matter by air in accordance with the fore-
 2 going provisions of this section, the transportation of such
 3 mail matter may be authorized by aircraft other than sched-
 4 uled United States air carriers.”.

5 (b) The table of contents of such chapter 67 is amended
 6 by inserting at the end thereof—

“4560. Air transportation of parcels mailed at or addressed to Armed
 Forces post offices.”.

7 SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF
 8 ACCOUNT

9 SEC. 118. (a) Section 4001 of title 39, United States
 10 Code, relating to nonmailable matter, is amended by adding
 11 at the end thereof the following new subsection:

12 “(c) Matter otherwise legally acceptable in the mails
 13 which—

14 “(1) is in the form of, and reasonably could be in-
 15 terpreted or construed as, a bill, invoice, or statement
 16 of account due; but

17 “(2) constitutes, in fact, a solicitation for the order
 18 by the addressee of goods or services, or both,
 19 is nonmailable matter, shall not be carried or delivered by
 20 mail, and shall be disposed of as the Postmaster General
 21 directs, unless such matter bears on its face, in conspicuous
 22 and legible type in contrast by typography, layout, or color
 23 with other printing on its face, in accordance with regula-
 24 tions which the Postmaster General shall prescribe—

“(A) the following notice: ‘This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer.’; or

“(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe.”.

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATES

SEC. 119. (a) The first section, sections 101, 102, 105, 107, 108, 109, 110, 114, 116, 117, 118, and this section of this title shall become effective as of the beginning of the first Sunday which occurs after the thirtieth day following the date of enactment of this Act.

(b) Sections 103, 104, 106, 111, 112, 113, and 115 of this title shall become effective January 7, 1968.

TITLE II—FEDERAL SALARY INCREASES

SHORT TITLE

SEC. 201. This title may be cited as the “Federal Salary Act of 1967”.

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE"

"Grade"	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1-----	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2-----	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3-----	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5-----	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6-----	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7-----	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8-----	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9-----	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10-----	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11-----	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12-----	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14-----	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15-----	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16-----	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17-----	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18-----	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

(3) If the officer or employee is receiving basic

1 pay immediately prior to the effective date of this sec-
2 tion at a rate in excess of the maximum rate for his
3 grade, he shall receive (A) the maximum rate for his
4 grade in the new schedule, or (B) his existing rate
5 of basic pay if such existing rate is higher.

6 (4) If the officer or employee, immediately prior
7 to the effective date of this section, is receiving, pursuant
8 to section 2(b)(4) of the Federal Employees Salary
9 Increase Act of 1955, an existing aggregate rate of pay
10 determined under section 208(b) of the Act of Septem-
11 ber 1, 1954 (68 Stat. 1111), plus subsequent increases
12 authorized by law, he shall receive an aggregate rate of
13 pay equal to the sum of his existing aggregate rate of
14 pay, on the day preceding the effective date of this sec-
15 tion, plus the amount of increase made by this section in
16 the maximum rate of his grade, until (i) he leaves his
17 position, or (ii) he is entitled to receive aggregate pay
18 at a higher rate by reason of the operation of this Act or
19 any other provision of law; but, when such position be-
20 comes vacant, the aggregate rate of pay of any subse-
21 quent appointee thereto shall be fixed in accordance with
22 applicable provisions of law. Subject to clauses (i) and
23 (ii) of the immediately preceding sentence of this sub-
24 paragraph, the amount of the increase provided by this
25 section shall be held and considered for the purposes of

1 *section 208(b) of the Act of September 1, 1954, to*
2 *constitute a part of the existing rate of pay of the*
3 *employee.*

4 *(5) If the officer or employee, at any time during*
5 *the period beginning on the effective date of this section*
6 *and ending on the date of enactment of this title, was*
7 *promoted from one grade under the General Schedule*
8 *contained in section 5332(a) of title 5, United States*
9 *Code, to another such grade at a rate which is above the*
10 *minimum rate thereof, his rate of basic pay shall be*
11 *adjusted retroactively from the effective date of this*
12 *section to the date on which he was so promoted, on the*
13 *basis of the rate which he was receiving during the*
14 *period from such effective date to the date of such*
15 *promotion and, from the date of such promotion, on the*
16 *basis of the rate for that step of the appropriate grade*
17 *of the General Schedule contained in the amendment*
18 *made by subsection (a) of this section which corre-*
19 *sponds numerically to the step of the grade of the Gen-*
20 *eral Schedule to which such officer or employee was*
21 *promoted as in effect (without regard to this title) at*
22 *the time of such promotion.*

23 *(6) If the officer or employee, at any time during the*
24 *period beginning on the effective date of this section and*
25 *ending on the date of enactment of this title, became sub-*

ject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out "salary levels 19 and 20" and inserting in lieu thereof "salary levels 20 and 21".

CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading "POSITIONS" is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

1 “(A) Sweeps, mops, dusts, washes, and otherwise
2 performs light cleaning and housekeeping tasks to
3 maintain offices, washrooms, lobbies, corridors, stair-
4 ways, and other areas of the building in neat and or-
5 derly condition.

6 “(B) Performs such duties as dusting, waxing, and
7 polishing office furniture, sweeping and mopping floors,
8 vacuuming rugs, emptying wastebaskets and trash,
9 washing interior window and partition glass and fixtures
10 which can be reached without use of ladders or
11 scaffolding.

12 “(3) Organizational relationships.—Reports to a fore-
13 man or other designated supervisor.

14 “§ 3512A. Positions in salary level 2

15 “Custodian. (KP-1)

16 “(1) Basic function.—Performs manual laboring du-
17 ties in connection with custody of an office or building.

18 “(2) Duties and responsibilities.—

19 “(A) Performs any combination of the following
20 duties:

21 “1. Moves furniture and equipment.

22 “2. Uncrates and assembles furniture and fix-
23 tures, using bolts and screws for assembly.

24 “3. Loads and unloads supplies and equipment.

1 *“4. Removes trash from work areas, lobbies,*
2 *and washrooms.*

3 *“5. Tends to lawns, shrubbery, and premises of*
4 *the post office and cleans ice and snow from the*
5 *sidewalks and driveways.*

6 *“6. Stacks supplies in storage rooms and on*
7 *shelves, and completes forms or records as required.*

8 *“(B) May perform cleaning duties as assigned.*

9 *“(3) Organizational relationships.—Reports to a fore-*
10 *man or other designated supervisor.”.*

11 *(b) Each salary level number in the headings of sec-*
12 *tions 3513 to 3531, inclusive, of title 39, United States Code,*
13 *and each other numerical reference to such salary level num-*
14 *ber in any other provision of such title (including the table of*
15 *contents of chapter 45) which is not otherwise increased by*
16 *this title, is increased by 1.*

17 *(c) Each employee in the postal field service on the*
18 *date of enactment of this title, whose position is placed in*
19 *salary level 2 of the Postal Field Service Schedule by reason*
20 *of the enactment of this section and section 205(e)(1) of this*
21 *title, shall remain in salary level 2 of such schedule so long*
22 *as he remains in such position or occupies, without break in*
23 *service of more than thirty days, a position of a comparable*
24 *level of duties, responsibilities, and work requirements in such*

1 (c) Section 3544 of title 39, United States Code, is
2 amended to read as follows:

3 “§ 3544. Compensation of postmasters at fourth-class offices

4 “(a) The Postmaster General shall—

5 “(1) rank each position of postmaster at a post
6 office of the fourth class in salary level 6 of the Postal
7 Field Service Schedule; and

8 “(2) establish, and adjust from time to time, the
9 annual rate of basic compensation, for each such position
10 of postmaster so ranked, in an amount which bears the
11 same ratio to the annual rate of basic compensation for
12 full-time service in a position (other than postmaster at
13 a post office of the fourth class) in the same step of
14 salary level 6 of such schedule, as the total number of
15 hours of service which the Postmaster General deter-
16 mines necessary to be performed by such postmaster to
17 operate the post office, in the light of the postal needs of
18 the patrons of the office, bears to the total number of
19 hours of such full-time service.

20 Actions and determinations by the Postmaster General under
21 this subsection shall be final and conclusive until changed by
22 him.

23 “(b) A person who performs the duties of postmaster
24 at a post office of the fourth class where there is a vacancy,
25 or during the absence of the postmaster on sick or annual

1 leave or leave without pay, shall be compensated at the rate
2 of basic compensation for step 1 of salary level 6 of the
3 Postal Field Service Schedule, determined under subsection
4 (a) of this section.

5 “(c) When required by the Postmaster General, a
6 postmaster at a fourth-class office shall, and any other post-
7 master in PFS level 6 when permitted by the Postmaster
8 General may, furnish quarters, fixtures, and equipment for
9 an office on an allowance basis. The allowance for this pur-
10 pose shall be an amount equal to 15 per centum of the basic
11 compensation for step 1 of salary level 6 of the Postal Field
12 Service Schedule.”.

13 (d) Each postmaster at a post office of the fourth class
14 on the effective date of Postal Field Service Schedule I shall
15 be placed in salary level 6 of the Postal Field Service Sched-
16 ule at the lowest step which provides a rate, determined
17 under section 3544(a) of title 39, United States Code, which
18 is at least equal to his rate of basic compensation in effect
19 immediately prior to such effective date plus 6 per centum
20 thereof. If there is no such step in salary level 6, he is en-
21 titled to his rate of basic compensation in effect immediately
22 prior to such effective date plus 6 per centum thereof. For the
23 purposes of this subsection, basic compensation in effect imme-
24 diately prior to the effective date of Postal Field Service
25 Schedule I shall be determined after giving effect to any

1 *change in salary step or revenue units category which would*
2 *have occurred on the effective date of this section without*
3 *regard to the enactment of this title.*

4 *(e) The basic compensation of each employee subject*
5 *to the Postal Field Service Schedule or the Rural Carrier*
6 *Schedule immediately prior to the effective date of Postal*
7 *Field Service Schedule I shall be determined as follows:*

8 *(1) Each employee subject to the Postal Field*
9 *Service Schedule shall be assigned to the same numerical*
10 *step for his position, placed in the next higher salary*
11 *level, which he had attained immediately prior to such*
12 *effective date.*

13 *(2) Each employee subject to the Rural Carrier*
14 *Schedule shall be assigned to the same numerical step*
15 *for his position which he had attained immediately prior*
16 *to such effective date.*

17 *(3) If changes in levels or steps would otherwise*
18 *occur on such effective date without regard to enactment*
19 *of this Act, such changes shall be deemed to have occurred*
20 *prior to conversion.*

21 *(4) If the existing basic compensation is greater*
22 *than the rate to which the employee is converted under*
23 *paragraph (1) or (2) of this subsection, the employee*
24 *shall be placed in the lowest step which exceeds his basic*
25 *compensation. If the existing basic compensation exceeds*

1 *the maximum step of his position, his existing basic com-*
2 *ensation shall be established as his basic compensation.*

3 *(f) The advancement of any employee to a higher salary*
4 *level of the Postal Field Service Schedule by reason of the*
5 *enactment of this section shall not be deemed to be an equiv-*
6 *alent increase within the meaning of section 3552(a) of title*
7 *39, United States Code.*

8 *(g) The basic compensation of each employee subject*
9 *to the Postal Field Service Schedule or the Rural Carrier*
10 *Schedule immediately prior to the effective date of Postal*
11 *Field Service Schedule II shall be determined as follows:*

12 *(1) Each employee shall be assigned to the same*
13 *numerical step for his position which he had attained im-*
14 *mediately prior to such effective date. If changes in levels*
15 *or steps would otherwise occur on such effective date with-*
16 *out regard to enactment of this title, such changes shall*
17 *be deemed to have occurred prior to conversion.*

18 *(2) If the existing basic compensation is greater*
19 *than the rate to which the employee is converted under*
20 *paragraph (1) of this subsection, the employee shall be*
21 *placed in the lowest step which exceeds his basic compen-*
22 *sation. If the existing basic compensation exceeds the*
23 *maximum step of his position, his existing basic compen-*
24 *sation shall be established as his basic compensation.*

25 *(h) Each employee whose position, by reason of the*

1 enactment of this section, is placed in a level of the Postal
 2 Field Service Schedule shall be entitled, for purposes of
 3 section 3560 of title 39, United States Code, to credit for
 4 time served in the postal field service prior to the effective
 5 date of this section.

6 (i) The table of contents of chapter 45 of title 39,
 7 United States Code, is amended by striking out
 “3544. Fourth Class Office Schedule.”

8 and inserting in lieu thereof

“3544. Compensation of postmasters at fourth-class offices.”.

9

CONFORMING AMENDMENTS

10 SEC. 206. (a) Section 3560(a) of title 39, United States
 11 Code, is amended by striking out “(3) revenue unit cate-
 12 gory, with respect to the Fourth Class Office Schedule.” and
 13 inserting in lieu thereof “(3) minimum hours of service with
 14 respect to postmasters in fourth-class post offices.”.

15 (b) Section 3560(f) of title 39, United States Code,
 16 is amended by striking out “(1) reductions in class or reve-
 17 nue unit category of any post office, or” and inserting in lieu
 18 thereof “(1) reductions in class or revenue units of any post
 19 office or in the minimum hours of service for a fourth-class
 20 post office, or”.

21 (c) Subsections (b) and (c) of section 3573 of title
 22 39, United States Code, are amended by striking out “level
 23 PFS-10” and “level PFS-11”, wherever appearing therein,

1 *and inserting in lieu thereof “level PFS-11” and “level*
2 *PFS-12”, respectively.*

3 *(d) Subsection (a) of section 3575 of title 39, United*
4 *States Code, is amended by striking out “level PFS-15” and*
5 *inserting in lieu thereof “level PFS-16”.*

6 *(e) Any reference to a level of the Postal Field Service*
7 *Schedule in any order, rule, regulation, or statute (other than*
8 *title 39, United States Code) which is in effect on the effec-*
9 *tive date of this section shall be deemed to refer to the next*
10 *higher level of the Postal Field Service Schedule.*

11 *SPECIAL SALARY RATE RANGES*

12 *SEC. 207. (a) Section 5303(a) of title 5, United States*
13 *Code, is amended by striking out “seventh pay rate” and*
14 *inserting in lieu thereof “maximum pay rate”.*

15 *(b) Section 5303(d) of title 5, United States Code,*
16 *is amended to read as follows:*

17 *“(d) The rate of basic pay established under this sec-*
18 *tion and received by an individual immediately before a*
19 *statutory increase, which becomes effective prior to, on, or*
20 *after the date of enactment of the statute, in the pay sched-*
21 *ule applicable to such individual of any pay system specified*
22 *in subsection (a) of this section, shall be initially adjusted,*
23 *effective on the effective date of the statutory increase,*
24 *under conversion rules prescribed by the President or by*
25 *such agency as the President may designate.”.*

1 *EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND*
2 *SURGERY OF THE VETERANS' ADMINISTRATION*

3 *SEC. 208. Section 4107 of title 38, United States Code,*
4 *relating to grades and pay scales for certain positions within*
5 *the Department of Medicine and Surgery of the Veterans'*
6 *Administration, is amended to read as follows:*

7 **“§ 4107. Grades and pay scales**

8 *“(a) The per annum full-pay scale or ranges for posi-*
9 *tions provided in section 4103 of this title, other than Chief*
10 *Medical Director, Deputy Chief Medical Director, and Asso-*
11 *ciate Deputy Chief Medical Director, shall be as follows:*

12 *“Section 4103 Schedule*

13 *“Assistant Chief Medical Director, \$27,055.*

14 *“Medical Director, \$23,788 minimum to \$26,960 maxi-*
15 *mum.*

16 *“Director of Nursing Service, \$18,404 minimum to*
17 *\$23,921 maximum.*

18 *“Director of Chaplain Service, \$18,404 minimum to*
19 *\$23,921 maximum.*

20 *“Chief Pharmacist, \$18,404 minimum to \$23,921*
21 *maximum.*

22 *“Chief Dietitian, \$18,404 minimum to \$23,921 maxi-*
23 *mum.*

24 *“(b)(1) The grades and per annum full-pay ranges*
25 *for positions provided in paragraph (1) of section 4104 of*
26 *this title shall be as follows:*

1 *“Physician and Dentist Schedule*

2 *“Director grade, \$20,982 minimum to \$26,574 maxi-*
 3 *mum.*

4 *“Executive grade, \$19,576 minimum to \$25,444 maxi-*
 5 *mum.*

6 *“Chief grade, \$18,404 minimum to \$23,921 maximum.*

7 *“Senior grade, \$15,841 minimum to \$20,593 maximum.*

8 *“Intermediate grade, \$13,507 minimum to \$17,557*
 9 *maximum.*

10 *“Full grade, \$11,461 minimum to \$14,899 maximum.*

11 *“Associate grade, \$9,657 minimum to \$12,555 maxi-*
 12 *mum.*

13 *“Nurse Schedule*

14 *“Assistant Director grade, \$15,841 minimum to \$20,593*
 15 *maximum.*

16 *“Chief grade, \$13,507 minimum to \$17,557 maximum.*

17 *“Senior grade, \$11,461 minimum to \$14,899 maximum.*

18 *“Intermediate grade, \$9,657 minimum to \$12,555 maxi-*
 19 *mum.*

20 *“Full grade, \$8,054 minimum to \$10,475 maximum.*

21 *“Associate grade, \$7,033 minimum to \$9,139 maximum.*

22 *“Junior grade, \$6,137 minimum to \$7,982 maximum.*

23 *“(2) No person may hold the director grade unless he*
 24 *is serving as a director of a hospital, domiciliary, center, or*
 25 *outpatient clinic (independent). No person may hold the*

1 executive grade unless he holds the position of chief of staff
2 at a hospital, center, or outpatient clinic (independent), or
3 comparable position.

4 “(c) Notwithstanding any other provision of law, the
5 per annum salary rate for each individual serving as a di-
6 rector of a hospital, domiciliary, or center who is not a physi-
7 cian shall not be less than the salary rate which he would
8 receive under this section if his service as a director of a
9 hospital, domiciliary, or center had been service as a physician
10 in the director grade. The position of the director of a hospital,
11 domiciliary, or center shall not be subject to chapter 51 and
12 subchapter III of chapter 53 of title 5, United States Code.”.

13 FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND
14 EMPLOYEES

15 SEC. 209. (a) The fourth sentence of section 412 of the
16 Foreign Service Act of 1946, as amended (22 U.S.C. 867),
17 is amended to read as follows: “The per annum salaries of
18 Foreign Service officers within each of the other classes shall
19 be as follows:

“Class 1-----	\$24,944	\$25,776	\$27,055				
Class 2-----	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3-----	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207
Class 5-----	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6-----	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7-----	7,816	8,076	8,336	8,596	8,856	9,116	9,376
Class 8-----	6,734	6,959	7,184	7,409	7,634	7,859	8,084”.

20 (b) The second sentence of subsection (a) of section
21 415 of such Act (22 U.S.C. 870(a)) is amended to read

1 as follows: "The per annum salaries of such staff officers and
2 employees within each class shall be as follows:

"Class 1-----	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3-----	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4-----	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5-----	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6-----	7,521	7,775	8,029	8,277	8,523	8,779	9,030	9,281	9,532	9,783
Class 7-----	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8-----	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9-----	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489".

3 (c) Foreign Service officers, Reserve officers, and For-
4 eign Service staff officers and employees who are entitled to
5 receive basic compensation immediately prior to the effective
6 date of this section at one of the rates provided by section
7 412 or 415 of the Foreign Service Act of 1946 shall receive
8 basic compensation, on and after such effective date, at the
9 rate of their class determined to be appropriate by the Secre-
10 tary of State.

11 AGRICULTURAL STABILIZATION AND CONSERVATION
12 COUNTY COMMITTEE EMPLOYEES

13 SEC. 210. The rates of pay of persons employed by the
14 county committees established pursuant to section 8(b) of
15 the Soil Conservation and Domestic Allotment Act (16
16 U.S.C. 590h(b)) shall be increased by amounts equal, as
17 nearly as may be practicable, to the increases provided by
18 section 202(a) of this title for corresponding rates of basic
19 pay.

1 *SALARY RATES FIXED BY ADMINISTRATIVE ACTION*

2 *SEC. 211. (a) The rates of basic pay of assistant United*
3 *States attorneys whose annual salaries are fixed pursuant*
4 *to section 548 of title 28, United States Code, shall be*
5 *increased, effective on the effective date of section 202 of*
6 *this title, by amounts equal, as nearly as may be practicable,*
7 *to the increases provided by section 202(a) of this title for*
8 *corresponding rates of basic pay.*

9 *(b) Notwithstanding section 3679 of the Revised*
10 *Statutes, as amended (31 U.S.C. 665), the rates of pay*
11 *of officers and employees of the Federal Government and*
12 *of the municipal government of the District of Columbia*
13 *whose rates of pay are fixed by administrative action pur-*
14 *suant to law and are not otherwise increased by this title*
15 *are hereby authorized to be increased, effective on the ef-*
16 *fective date of section 202 of this title, by amounts not to*
17 *exceed the increases provided by this title for correspond-*
18 *ing rates of pay in the appropriate schedule or scale of pay.*

19 *(c) Nothing contained in this section shall be held or*
20 *considered to authorize any increase in the rates of pay of*
21 *officers and employees whose rates of pay are fixed and*
22 *adjusted from time to time as nearly as is consistent with*
23 *the public interest in accordance with prevailing rates or*
24 *practices.*

25 *(d) Nothing contained in this section shall affect the*

1 *authority contained in any law pursuant to which rates of*
2 *pay may be fixed by administrative action.*

3 *IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN*
4 *1968 AND 1969*

5 *SEC. 212. In order to complete the implementation of*
6 *the policy of the Congress set forth in paragraph (2) of*
7 *section 5301 of title 5, United States Code, the President,*
8 *after seeking the views of such employee organizations as he*
9 *considers appropriate and in such manner as he may provide,*
10 *shall—*

11 *(1) effective on the first day of the first pay period*
12 *beginning on or after July 1, 1968, adjust the rates*
13 *of basic pay, basic compensation, and salary, as in effect*
14 *by reason of the enactment of the provisions of this*
15 *title other than this section and sections 205, 210, 213,*
16 *214, 215, 216, and 222—*

17 *(A) by amounts equal, as nearly as may be*
18 *practicable, to one-half of the amounts by which*
19 *such rates are exceeded by rates of pay paid for the*
20 *same levels of work in private enterprise as deter-*
21 *mined on the basis of the 1967 annual survey con-*
22 *ducted by the Bureau of Labor Statistics in accord-*
23 *ance with the provisions of section 5302 of title 5,*
24 *United States Code, or*

1 *(B) by 3 per centum,*

2 *whichever is greater; and*

3 *(2) effective on the first day of the first pay period*
4 *beginning on or after April 1, 1969, adjust the rates*
5 *he has established under subparagraph (1) of this sec-*
6 *tion, and the rates established by Postal Field Service*
7 *Schedule II and Rural Carrier Schedule II (contained*
8 *in the amendments made by subsections (a) and (b) of*
9 *section 205), by amounts equal, as nearly as may be*
10 *practicable, to the amounts by which such rates are ex-*
11 *ceeded by rates of pay paid for the same levels of work*
12 *in private enterprise as determined on the basis of the*
13 *1968 annual survey conducted by the Bureau of Labor*
14 *Statistics in accordance with the provisions of section*
15 *5302 of title 5, United States Code.*

16 *Adjustments made by the President under this section shall*
17 *have the force and effect of statute. The rates of pay of*
18 *personnel subject to sections 210, 213 (except subsection (d)),*
19 *and 214 of this title shall be adjusted, by amounts which are*
20 *equal, insofar as practicable, to the amounts of the adjust-*
21 *ments made by the President under subparagraphs (1) and*
22 *(2) of this section, by the following authorities—*

23 *(i) the President pro tempore of the Senate, with*
24 *respect to the United States Senate;*

25 *(ii) the Speaker of the House of Representatives,*

1 *with respect to the United States House of Representa-*
 2 *tives;*

3 *(iii) the Architect of the Capitol, with respect to*
 4 *the Office of the Architect of the Capitol;*

5 *(iv) the Director of the Administrative Office of the*
 6 *United States Courts, with respect to the judicial branch*
 7 *of the Government; and*

8 *(v) the Secretary of Agriculture, with respect to*
 9 *persons employed by the county committees established*
 10 *pursuant to section 8(b) of the Soil Conservation and*
 11 *Domestic Allotment Act (16 U.S.C. 590h(b)).*

12 *Such adjustments shall be made in such manner as the appro-*
 13 *priate authority concerned deems advisable and shall have*
 14 *the force and effect of statute. Nothing in this section shall*
 15 *impair any authority pursuant to which rates of pay may be*
 16 *fixed by administrative action.*

17 JUDICIAL BRANCH EMPLOYEES

18 *SEC. 213. (a) The rates of basic compensation of offi-*
 19 *cers and employees in or under the judicial branch of the*
 20 *Government whose rates of compensation are fixed by or*
 21 *pursuant to paragraph (2) of subdivision a of section 62 of*
 22 *the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656*
 23 *of title 18, United States Code, the third sentence of section*
 24 *603, sections 671 to 675, inclusive, or section 604(a)(5),*
 25 *of title 28, United States Code, insofar as the latter section*

1 applies to graded positions, are hereby increased by amounts
2 reflecting the respective applicable increases provided by sec-
3 tion 202(a) of this title in corresponding rates of compen-
4 sation for officers and employees subject to section 5332 of
5 title 5, United States Code. The rates of basic compensa-
6 tion of officers and employees holding ungraded positions and
7 whose salaries are fixed pursuant to such section 604(a)(5)
8 may be increased by the amounts reflecting the respective
9 applicable increases provided by section 202(a) of this title
10 in corresponding rates of compensation for officers and em-
11 ployees subject to section 5332 of title 5, United States Code.

12 (b) The limitations provided by applicable law on
13 the effective date of this section with respect to the aggregate
14 salaries payable to secretaries and law clerks of circuit and
15 district judges are hereby increased by amounts which re-
16 flect the respective applicable increases provided by section
17 202(a) of this title in corresponding rates of compensation
18 for officers and employees subject to section 5332 of title 5,
19 United States Code.

20 (c) Section 753(e) of title 28, United States Code (re-
21 lating to the compensation of court reporters for district
22 courts), is amended by striking out the existing salary limi-
23 tation contained therein and inserting a new limitation which
24 reflects the respective applicable increases provided by section
25 202(a) of this title in corresponding rates of compensation

1 for officers and employees subject to section 5332 of title 5,
2 United States Code.

3 (d) The first paragraph of section 603 of title 28,
4 United States Code, relating to the compensation of the
5 Director and the Deputy Director of the Administrative
6 Office of the United States Courts, is amended to read as
7 follows:

8 "The salary of the Director shall be the same as the
9 salary of a United States District Judge. The salary of the
10 Deputy Director shall be in the same amount as the rate of
11 basic pay for level V of the Executive Schedule in title 5."

12 LEGISLATIVE BRANCH EMPLOYEES

13 SEC. 214. (a) Except as otherwise provided in this title,
14 each officer or employee in or under the legislative branch of
15 the Government, whose rate of compensation is increased by
16 section 5 of the Federal Employees Pay Act of 1946, shall
17 be paid additional compensation at the rate of 4.5 per centum
18 of his gross rate of compensation (basic compensation plus
19 additional compensation authorized by law).

20 (b) The total annual compensation in effect immedi-
21 ately prior to the effective date of this section of each officer
22 or employee of the House of Representatives, whose com-
23 pensation is disbursed by the Clerk of the House of Repre-
24 sentatives and is not increased by reason of any other pro-
25 vision of this section, shall be increased by 4.5 per centum.

1 (c) The rates of compensation of employees of the
2 House of Representatives whose compensation is fixed by
3 the House Employees Schedule under the House Employees
4 Position Classification Act (78 Stat. 1079-1084; Public
5 Law 88-652; 2 U.S.C. 291-303), including each employee
6 subject to such Act whose compensation is fixed at a saved
7 rate, are hereby increased by amounts equal, as nearly as
8 may be practicable, to the increases provided by subsection
9 (a) of this section.

10 (d) Except as provided in the last sentence of section
11 219(a) of this title, the additional compensation provided by
12 this section shall be considered a part of basic pay for the
13 purposes of subchapter III of chapter 83 of title 5, United
14 States Code, relating to civil service retirement.

15 (e) The per annum rate of compensation of the Chief
16 of Staff of the Joint Committee on Internal Revenue Taxa-
17 tion shall be the same as the per annum rate of compensation
18 of the Legislative Counsel of the House of Representatives.

19 (f) The third paragraph under the heading "Office
20 of the Architect of the Capitol" and the subheading "Sal-
21 aries" in the Legislative Branch Appropriation Act, 1960
22 (73 Stat. 407), is amended by striking out "\$7,700" and
23 inserting in lieu thereof "\$8,200".

24 (g) This section shall not apply with respect to the
25 compensation of student congressional interns and the com-
26 pensation of employees whose compensation is fixed by the

1 *House Wage Schedule under the House Employees Position*
 2 *Classification Act.*

3 *INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V*
 4 *OF EXECUTIVE SCHEDULE*

5 *SEC. 215. (a) Section 5314 of title 5, United States*
 6 *Code, relating to the basic pay rate for level III of the*
 7 *Executive Schedule, is amended by striking out “\$28,500”*
 8 *and inserting in lieu thereof “\$29,500”.*

9 *(b) Section 5315 of title 5, United States Code, relating*
 10 *to the basic pay rate for level IV of the Executive Schedule,*
 11 *is amended by striking out “\$27,000” and inserting in lieu*
 12 *thereof “\$28,750”.*

13 *(c) Section 5316 of title 5, United States Code,*
 14 *relating to the basic pay rate for level V of the Executive*
 15 *Schedule, is amended by striking out “\$26,000” and inserting*
 16 *in lieu thereof “\$28,000”.*

17 *COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL*
 18 *SALARIES*

19 *SEC. 216. (a) ESTABLISHMENT OF COMMISSION.—*
 20 *There is hereby established a commission to be known as the*
 21 *Commission on Executive, Legislative, and Judicial Salaries*
 22 *(hereinafter referred to as the “Commission”).*

23 *(b) MEMBERSHIP.—*

24 *(1) The Commission shall be composed of nine mem-*
 25 *bers who shall be appointed from private life, as follows:*

1 (A) three appointed by the President of the United
2 States, one of whom shall be designated as Chairman by
3 the President;

4 (B) two appointed by the President of the Senate;

5 (C) two appointed by the Speaker of the House of
6 Representatives; and

7 (D) two appointed by the Chief Justice of the
8 United States.

9 (2) The terms of office of persons first appointed as
10 members of the Commission shall be for the period of the
11 1969 fiscal year of the Federal Government, except that,
12 if any appointment to membership on the Commission is
13 made after the beginning and before the close of such fiscal
14 year, the term of office based on such appointment shall be
15 for the remainder of such fiscal year.

16 (3) After the close of the 1969 fiscal year of the Federal
17 Government, persons shall be appointed as members of the
18 Commission with respect to every fourth fiscal year following
19 the 1969 fiscal year. The terms of office of persons so ap-
20 pointed shall be for the period of the fiscal year with respect
21 to which the appointment is made, except that, if any ap-
22 pointment is made after the beginning and before the close
23 of any such fiscal year, the term of office based on such ap-
24 pointment shall be for the remainder of such fiscal year.

25 (4) A vacancy in the membership of the Commission

1 shall be filled in the manner in which the original appoint-
2 ment was made.

3 (5) Each member of the Commission shall be paid at
4 the rate of \$100 for each day such member is engaged upon
5 the work of the Commission and shall be allowed travel
6 expenses, including a per diem allowance, in accordance
7 with section 5703(b) of title 5, United States Code, when
8 engaged in the performance of services for the Commission.

9 (c) PERSONNEL OF COMMISSION.—

10 (1) Without regard to the provisions of title 5, United
11 States Code, governing appointments in the competitive
12 service, and the provisions of chapter 51 and subchapter III
13 of chapter 53 of such title, relating to classification and Gen-
14 eral Schedule pay rates, and on a temporary basis for periods
15 covering all or part of any fiscal year referred to in subsec-
16 tion (b) (2) and (3) of this section—

17 (A) the Commission is authorized to appoint an
18 Executive Director and fix his basic pay at the rate pro-
19 vided for level V of the Executive Schedule by section
20 5316 of title 5, United States Code; and

21 (B) with the approval of the Commission, the
22 Executive Director is authorized to appoint and fix the
23 basic pay (at respective rates not in excess of the maxi-
24 mum rate of the General Schedule in section 5332 of
25 title 5, United States Code) of such additional person-

1 *nel as may be necessary to carry out the function of the*
 2 *Commission.*

3 (2) *Upon the request of the Commission, the head of*
 4 *any department, agency, or establishment of any branch of*
 5 *the Federal Government is authorized to detail, on a reim-*
 6 *bursable basis, for periods covering all or part of any fiscal*
 7 *year referred to in subsection (b) (2) and (3) of this sec-*
 8 *tion, any of the personnel of such department, agency, or*
 9 *establishment to assist the Commission in carrying out its*
 10 *function.*

11 (d) *USE OF UNITED STATES MAILS BY COMMISSION.—*
 12 *The Commission may use the United States mails in the same*
 13 *manner and upon the same conditions as other departments*
 14 *and agencies of the United States.*

15 (e) *ADMINISTRATIVE SUPPORT SERVICES.—The Ad-*
 16 *ministrator of General Services shall provide administrative*
 17 *support services for the Commission on a reimbursable basis.*

18 (f) *FUNCTION.—The Commission shall conduct, in*
 19 *each of the respective fiscal years referred to in subsection*
 20 *(b) (2) and (3) of this section, a review of the rates of*
 21 *pay and the amounts and kinds of expenses and allowances,*
 22 *including requirements, conditions, and other matters relating*
 23 *thereto, of—*

24 (A) *Senators, Members of the House of Represent-*
 25 *atives, and the Resident Commissioner from Puerto*
 26 *Rico;*

1 (B) offices and positions in the legislative branch
2 referred to in subsections (a), (b), (c), and (d) of
3 section 203 of the Federal Legislative Salary Act of
4 1964 (78 Stat. 415; Public Law 88-426);

5 (C) justices, judges, and other personnel in the
6 judicial branch referred to in sections 402(d) and 403
7 of the Federal Judicial Salary Act of 1964 (78 Stat.
8 434; Public Law 88-426); and

9 (D) offices and positions under the Executive Sched-
10 ule in subchapter II of chapter 53 of title 5, United
11 States Code.

12 Such review by the Commission shall be made for the pur-
13 pose of determining and providing—

14 (i) the appropriate pay levels and relationships
15 between and among the respective offices and positions
16 covered by such review, and

17 (ii) the appropriate pay relationships between such
18 offices and positions and the offices and positions subject
19 to the provisions of chapter 51 and subchapter III of
20 chapter 53 of title 5, United States Code, relating to
21 classification and General Schedule pay rates.

22 (g) *REPORT BY COMMISSION TO THE PRESIDENT.*—

23 The Commission shall submit to the President a report of the
24 results of each review conducted by the Commission of the
25 offices and positions within the purview of subparagraphs

1 (A), (B), (C), and (D) of subsection (f) of this section,
 2 together with its recommendations. Each such report shall
 3 be submitted on such date as the President may designate
 4 but not later than January 1 next following the close of the
 5 fiscal year in which the review is conducted by the Com-
 6 mission.

7 (h) *RECOMMENDATIONS OF THE PRESIDENT WITH*
 8 *RESPECT TO PAY, EXPENSES, AND ALLOWANCES.*—The
 9 President shall include, in the budget next transmitted by
 10 him to the Congress after the date of the submission of the
 11 report and recommendations of the Commission under sub-
 12 section (g) of this section, his recommendations with respect
 13 to the exact rates of pay and the exact amounts and kinds of
 14 expenses and allowances, including any specific require-
 15 ments, conditions, and other matters relating thereto which
 16 he deems advisable, for those offices and positions within the
 17 purview of subparagraphs (A), (B), (C), and (D) of
 18 subsection (f) of this section. As used in this subsection,
 19 the term “budget” means the budget referred to in section
 20 201 of the Budget and Accounting Act, 1921, as amended
 21 (31 U.S.C. 11).

22 (i) *EFFECTIVE DATE OF RECOMMENDATIONS OF THE*
 23 *PRESIDENT.*—

24 (1) Except as provided in paragraph (2) of this sub-
 25 section, all or part (as the case may be) of the recommenda-

1 tions of the President transmitted to the Congress in the
 2 budget under subsection (h) of this section shall become
 3 effective at the beginning of the first pay period which begins
 4 after the thirtieth day following the transmittal of such rec-
 5 ommendations in the budget; but only to the extent that,
 6 between the date of transmittal of such recommendations in
 7 the budget and the beginning of such first pay period—

8 (A) there has not been enacted into law a statute
 9 which establishes rates of pay, amounts and kinds of
 10 expenses and allowances, and requirements, conditions,
 11 and related matters other than those proposed by all or
 12 part of such recommendations,

13 (B) neither House of the Congress has enacted
 14 legislation which specifically disapproves all or part of
 15 such recommendations, or

16 (C) both.

17 (2) Any part of the recommendations of the President
 18 may, in accordance with express provisions of such recom-
 19 mendations, be made operative on a date later than the date
 20 on which such recommendations otherwise are to take effect.

21 (j) EFFECT OF RECOMMENDATIONS OF THE PRESI-
 22 DENT ON EXISTING LAW AND PRIOR PRESIDENTIAL
 23 RECOMMENDATIONS.—The recommendations of the Presi-
 24 dent transmitted to the Congress immediately following a

1 review conducted by the Commission in one of the fiscal
 2 years referred to in subsection (b) (2) and (3) of this sec-
 3 tion shall be held and considered to modify, supersede, or
 4 render inapplicable, as the case may be, to the extent in-
 5 consistent therewith—

6 (A) all provisions of law enacted prior to the effec-
 7 tive date or dates of all or part (as the case may be) of
 8 such recommendations (other than any provision of law
 9 enacted in the period specified in paragraph (1) of sub-
 10 section (i) of this section with respect to such recom-
 11 mendations), and

12 (B) any prior recommendations of the President
 13 which take effect under this section.

14 (k) *PUBLICATION OF RECOMMENDATIONS OF THE*
 15 *PRESIDENT.*—The recommendations of the President which
 16 take effect shall be printed in the Statutes at Large in the
 17 same volume as public laws and shall be printed in the Fed-
 18 eral Register and included in the Code of Federal Regula-
 19 tions.

20 *SALARY INCREASE LIMITATIONS*

21 *SEC. 217.* Except as provided in sections 213(d), 214,
 22 215, and 222, and subject to the operation of section 216 of
 23 this title, no rate of compensation shall be increased, by reason
 24 of the enactment of this title, to an amount in excess of
 25 the salary rate now or hereafter in effect for level V of the

1 *Executive Schedule in section 5316 of title 5, United States*
2 *Code.*

3 *NIGHT, STANDBY, AND IRREGULAR DUTY DIFFERENTIAL*

4 *SEC. 218. Section 5545(c)(1) of title 5, United States*
5 *Code, is amended by striking out “not in excess of 25 per-*
6 *cent” and inserting in lieu thereof “not less than 20 per*
7 *centum or more than 30 per centum”.*

8 *PAYMENT OF RETROACTIVE COMPENSATION*

9 *SEC. 219. (a) Retroactive pay, compensation, or salary*
10 *shall be paid by reason of this title only in the case of an*
11 *individual in the service of the United States (including*
12 *service in the Armed Forces of the United States) or the*
13 *municipal government of the District of Columbia on the*
14 *date of enactment of this title, except that such retroactive*
15 *pay, compensation, or salary shall be paid—*

16 *(1) to an officer or employee who retired, during*
17 *the period beginning on the first day of the first pay*
18 *period which began on or after October 1, 1967, and end-*
19 *ing on the date of enactment of this title, for services*
20 *rendered during such period, and*

21 *(2) in accordance with subchapter VIII of chapter*
22 *55 of title 5, United States Code, relating to settlement*
23 *of accounts, for services rendered, during the period*
24 *beginning on the first day of the first pay period which*
25 *began on or after October 1, 1967, and ending on the*

1 date of enactment of this title, by an officer or employee
2 who died during such period.

3 Such retroactive pay, compensation, or salary shall not be
4 considered as basic pay for the purposes of subchapter III of
5 chapter 83 of title 5, United States Code, relating to civil
6 service retirement, or any other retirement law or retirement
7 system, in the case of any such retired or deceased officer or
8 employee.

9 (b) For the purposes of this section, service in the
10 Armed Forces of the United States, in the case of an individ-
11 ual relieved from training and service in the Armed Forces
12 of the United States or discharged from hospitalization fol-
13 lowing such training and service, shall include the period
14 provided by law for the mandatory restoration of such in-
15 dividual to a position in or under the Federal Government or
16 the municipal government of the District of Columbia.

17 RETIREMENT COVERAGE FOR EMPLOYEES ON LEAVE
18 WITHOUT PAY SERVING WITH LABOR ORGANIZATIONS

19 SEC. 220. (a) The first sentence of section 8332(k) (1)
20 of title 5, United States Code, is amended by inserting "or
21 of a 'labor organization' as defined by paragraph (3) of this
22 subsection," immediately following "section 8331(1) of this
23 title,".

24 (b) An employee who, on the date of enactment of this
25 subsection, is on approved leave without pay and is serving

1 as a full-time officer or employee of a "labor organization"
2 as defined by section 8332(k)(3) of title 5, United States
3 Code, may make the election provided for by the first sentence
4 of section 8332(k)(1) of such title, as amended by subsection
5 (a) of this section, within sixty days after such date of
6 enactment.

7 (c) For the purpose of the second sentence of section
8 8332(k)(1) of title 5, United States Code, the word "em-
9 ployee" includes—

10 (1) an employee who, on July 18, 1966, was on
11 approved leave without pay and serving as a full-time
12 officer or employee of an organization composed pri-
13 marily of employees as defined by section 8331(1) of
14 such title and who, before September 17, 1966, filed
15 an election similar to that prescribed by section
16 8332(k)(1) of such title; and

17 (2) an employee who, on the date of enactment of
18 this subsection, is on approved leave without pay and
19 is serving as a full-time officer or employee of a "labor
20 organization" as defined by section 8332(k)(3) of title
21 5, United States Code, and who, before the close of the
22 sixty-day period prescribed by subsection (b) of this
23 section, files an election under such subsection (b).

24 (d) The last sentence of section 8332(k)(1) of title 5,
25 United States Code, is hereby repealed.

1 (e) *The first sentence of section 8332(k)(2) of title*
2 *5, United States Code, is amended by inserting “or of a*
3 *‘labor organization’ as defined by paragraph (3) of this sub-*
4 *section” immediately before the period at the end thereof.*

5 (f) *Section 8332(k) of title 5, United States Code, is*
6 *amended by adding at the end thereof the following new*
7 *paragraph:*

8 “(3) *For the purposes of this subsection, ‘labor organi-*
9 *zation’ means any organization of any kind, or any agency*
10 *or employee representation committee or plan, in which em-*
11 *ployees participate and which exists for the purpose, in whole*
12 *or in part, of dealing with employers concerning grievances,*
13 *labor disputes, wages, rates of pay, hours of employment, or*
14 *conditions of work, and includes a national or international*
15 *organization of which such labor organization is a member.”.*

16 (g) *Section 8348(g) of title 5, United States Code,*
17 *does not apply with respect to annuity benefits resulting from*
18 *the enactment of this section.*

19 (h) *The foregoing provisions of this section shall not*
20 *apply in the cases of persons retired or otherwise separated*
21 *prior to the date of enactment of this section. The rights of*
22 *such persons and their survivors shall continue in the same*
23 *manner and to the same extent as if this section had not been*
24 *enacted.*

1 *GROUP LIFE INSURANCE AND HEALTH BENEFITS COVERAGE*
2 *FOR EMPLOYEES ON LEAVE WITHOUT PAY SERVING*
3 *WITH LABOR ORGANIZATIONS*

4 *SEC. 221. (a) The first sentence of section 8706(e) of*
5 *title 5, United States Code, is amended by inserting “or of*
6 *a ‘labor organization’ as defined by section 8332(k)(3) of*
7 *this title,” immediately following “section 8701(a) of this*
8 *title.”.*

9 *(b) The first sentence of section 8906(e)(2) of title 5,*
10 *United States Code, is amended by inserting “or of a ‘labor*
11 *organization’ as defined by section 8332(k)(3) of this title,”*
12 *immediately following “section 8901 of this title.”.*

13 *(c) An employee who, on the date of enactment of this*
14 *subsection, is on approved leave without pay and is serving as*
15 *a full-time officer or employee of a “labor organization” as*
16 *defined by section 8332(k)(3) of title 5, United States Code,*
17 *may elect, within sixty days after such date of enactment—*

18 *(1) to continue any insurance status or health bene-*
19 *fits enrollment, or both, which he has on such date of*
20 *enactment,*

21 *(2) to reacquire any insurance status or health*
22 *benefits enrollment, or both, which he may have lost while*
23 *on leave without pay, or*

24 *(3) to acquire an insured status or enroll in a*

1 health benefits plan, or both, if he were never previously
2 eligible to do so, by arranging to pay currently and
3 continuously into the *Employees' Life Insurance Fund*
4 and the *Employees Health Benefits Fund*, as appropri-
5 ate, through his employing agency, both employee and
6 agency contributions.

7 The employing agency shall forward such payments to the
8 *Employees' Life Insurance Fund* and the *Employees Health*
9 *Benefits Fund*, as appropriate. If the employee does not make
10 any of the elections set forth above, his insurance status and
11 health benefits enrollment will continue and terminate in the
12 same manner as for other employees in a nonpay status, or
13 he will remain ineligible for insurance and health benefits, as
14 the case may be, as though this subsection had not been
15 enacted. The United States Civil Service Commission may
16 prescribe regulations to carry out the purposes of this
17 subsection.

18 SEC. 222. Section 203 of the *Federal Legislative Salary*
19 *Act of 1964* (78 Stat. 415) is amended as follows:

20 (1) in subsection (b), by striking out "\$28,500"
21 and inserting in lieu thereof "\$29,500";

22 (2) in subsection (c), by striking out "\$27,000"
23 and inserting in lieu thereof "\$28,750";

24 (3) in subsection (d), by striking out "\$25,500"
25 and inserting in lieu thereof "\$27,500"; and

(4) in subsection (c), by striking out “\$23,500” and inserting in lieu thereof “\$25,000”.

EFFECTIVE DATES

SEC. 223. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 216, 219, 220, and 221 shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsection (d)), 214, and 217 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213(d), 215, 218, and 222 shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213(d), 215, 216, and 222) shall be held and considered to become effective as of the date of such enactment; and

1 (2) all changes in rates of pay which result from
2 the enactment of section 212 of this title and which take
3 effect retroactively from the date on which the adjust-
4 ments thereof are actually ordered under such section,
5 shall be held and considered to become effective on the
6 date on which such adjustments are actually ordered.

7 **TITLE III—PROHIBITION OF PANDERING**
8 **ADVERTISEMENTS**

9 **SEC. 301.** (a) Chapter 51 of title 39, United States
10 Code, is amended by adding at the end of such chapter the
11 following new section:

12 “§ 4009. **Prohibition of pandering advertisements in the**
13 **mails**

14 “(a) Whoever for himself, or by his agents or assigns,
15 mails or causes to be mailed any pandering advertisement
16 which offers for sale matter which the advertisement repre-
17 sents as erotically arousing or sexually provocative shall be
18 subject to an order of the Postmaster General to refrain from
19 further mailings of such pandering advertisements to desig-
20 nated addressees thereof.

21 “(b) Upon receipt of notice from an addressee that he
22 has received mail matter, determined by the Postmaster
23 General to be of the character of a pandering advertisement,
24 the Postmaster General shall issue an order, if requested by
25 the addressee, to the sender thereof, directing the sender and

1 his agents or assigns to refrain from further mailings of such
2 matter to the named addressees.

3 “(c) The order of the Postmaster General shall expressly
4 prohibit the sender and his agents or assigns from making
5 any further mailings of pandering advertisements to the
6 designated addressees, effective on the thirtieth calendar day
7 after receipt of the order. The order of the Postmaster Gen-
8 eral shall also direct the sender and his agents or assigns
9 to delete immediately the names of the designated address-
10 ees from all mailing lists owned or controlled by the sender
11 or his agents or assigns and, further, shall prohibit the sender
12 and his agents or assigns from the sale, rental, exchange, or
13 other transaction involving mailing lists bearing the names
14 of the designated addressees.

15 “(d) Whenever the Postmaster General believes that
16 the sender or anyone acting on his behalf has violated or is
17 violating the order given under this section, he shall serve
18 upon the sender, by registered or certified mail, a complaint
19 stating the reasons for his belief and request that any re-
20 sponse thereto be filed in writing with the Postmaster Gen-
21 eral within fifteen days after the date of such service. If the
22 Postmaster General, after appropriate hearing if requested
23 by the sender, and without a hearing if such a hearing is
24 not requested, thereafter determines that the order given has

1 *been or is being violated, he is authorized to request the At-*
2 *torney General to make application, and the Attorney General*
3 *is authorized to make application, to a district court of the*
4 *United States for an order directing compliance with such*
5 *notice.*

6 “(e) *Any district court of the United States within the*
7 *jurisdiction of which any mail matter shall have been sent*
8 *or received in violation of the order provided for by this*
9 *section shall have jurisdiction, upon application by the At-*
10 *torney General, to issue an order commanding compliance*
11 *with such notice. Failure to observe such order may be*
12 *punished by the court as contempt thereof.*

13 “(f) *Receipt of mail matter thirty days or more after*
14 *the effective date of the order provided for by this section*
15 *shall create a rebuttable presumption that such mail was*
16 *sent after such effective date.*

17 “(g) *Upon request of any addressee, the order of the*
18 *Postmaster General shall include the names of any of his*
19 *minor children who have not attained their nineteenth birth-*
20 *day, and who reside with the addressee.*

21 “(h) *The provisions of subchapter II of chapter 5 (re-*
22 *lating to administrative procedure) and chapter 7 (relating*
23 *to judicial review) of part I of title 5, United States Code,*
24 *shall not apply to any provisions of this section.*

25 “(i) *For the purposes of this section—*

1 “(1) mail matter, directed to a specific address
2 covered in the order of the Postmaster General, without
3 designation of a specific addressee thereon, shall be
4 considered as addressed to the person named in the Post-
5 master General's order; and

6 “(2) the term ‘children’ includes natural children,
7 stepchildren, adopted children, and children who are
8 wards of or in custody of the addressee or who are living
9 with such addressee in a regular parent-child relation-
10 ship.”.

11 (b) The table of contents of chapter 51 of title 39,
12 United States Code, is amended by adding at the end
13 thereof—

“4009. Prohibition of pandering advertisements in the mails.”.

14 SEC. 302. The provisions of this title shall become effec-
15 tive on the one hundred and twentieth day after the date of
16 enactment of this Act.

Amend the title so as to read: “A bill to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.”.

90TH CONGRESS
1ST Session

H. R. 7977

[Report No. 722]

A BILL

To adjust certain postage rates, and for other purposes.

By Mr. DULSKI

APRIL 5, 1967

Referred to the Committee on Post Office and Civil Service

SEPTEMBER 28, 1967

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

October 4, 1967

- 3 -

14. COOPERATIVES. The Agriculture Committee voted to report (but did not actually report) S. 109, amended, to control unfair trade practices affecting producers of agricultural products and associations of such producers. p. D884
15. MINING CLAIMS. The Interior and Insular Affairs Committee reported H. R. 10583, to extend the provisions of the Act of October 23, 1962, relating to the relief for occupants of certain unpatented mining claims (H. Rept. 732). p. H13018
16. PAY; POSTAL RATES. The ^Rules Committee reported a resolution for the consideration of H. R. 7977, the Federal pay and postal rates bill. p. H13018
17. EMPLOYMENT. The Education and Labor Committee voted to report (but did not actually report) H. R. 13054, relative to age discrimination in employment. p. D884
18. POVERTY. Rep. Curtis commended the "purpose" of the President's proposed program to "enlist private industry in the attack on hard core unemployment" but expressed several "reservations of the effectiveness of 'crash programs' of this nature" (pp. H12942-3). Rep. Gonzalez stated he looked forward to seeing this program implemented. (p. H12986).
Several Representatives discussed the merits of the poverty program and inserted supporting articles. pp. H12938, H12980-2, H12988-92
19. EXPENDITURES. Rep. Michel defended the Congress against "charges" by Assistant Director of the Budget Zwick that it is "fiscally irresponsible." pp. H12919-20
20. RECREATION; WILDERNESS. Rep. Hall urged removal of the "burdensome fee structure" that has been imposed at our Federal reservoirs." p. H12920
Rep. Cramer inserted an article portraying the "dilemma" posed in trying to reach a reasonable solution to the problems of the Florida everglades, one of the few "carefully preserved" wilderness areas in America. pp. H12948-54
21. SCHOOL LUNCH. Rep. Rogers, Colo., called attention to National School Lunch week, Oct. 8, and commended the program. p. H12939
22. CENSUS. Rep. Betts listed 67 questions proposed for inclusion in the 1970 census and urged action on his bill to limit the mandatory questions to seven. pp. H12943-5
23. TAXATION. Rep. Chamberlain commended committee action to postpone indefinitely consideration of the President's request for increased taxes and inserted an interview on the subject. pp. H12946-8
Rep. Gonzalez inserted a letter of endorsement of his suggestion of "an involuntary loan from each taxpayer of 10 percent of his tax liability instead of the proposed 10 percent surtax." pp. H12985-6
24. CONSUMER. Rep. Rosenthal questioned the adequacy of the several recently enacted consumer protection bills. p. H12975
Rep. Hanna urged providing the consumer with "reasonably strong" truth-in-lending legislation now. pp. H12968-9

Rep. Sullivan urged action on her bill, the proposed Consumer Credit Protection Act. pp. H12997-13005

25. OCEANOGRAPHY. Rep. Lennon inserted the speech of the executive secretary of the National Council on Marine Resources, "Oceans and Human Affairs." pp. H12994-6

ITEM IN APPENDIX

26. EDUCATION. Extension of remarks of Rep. Pucinski commending the President's announced program to recruit private industry in a job-creating effort, and inserting an article, "Vocational Education." pp. A4924-6

BILLS INTRODUCED

27. TEXTILE IMPORTS. H. R. 13304 by Rep. De La Garza and H. R. 13328 by Rep. Carter to provide for orderly trade in textile articles; to Ways and Means Committee.
28. HOLIDAY. H. R. 13308 by Rep. Kupferman, to provide time off duty for Government employees to comply with religious obligations prescribed by religious denominations of which such employees are bona fide members; to Post Office and Civil Service Committee.
29. WATER POLLUTION. H. R. 13312 by Rep. Steiger, Wisc., to amend the Federal Water Pollution Control Act, as amended, to authorize a program of research and demonstration for the control of pollution in lakes; to Public Works Committee.
30. TRANSPORTATION. H. R. 13316 by Rep. Cohelan, to amend the Merchant Marine Act, 1936, with respect to the development of cargo container vessels; to Merchant Marine and Fisheries Committee.
31. FOOD ADDITIVES. H. R. 13330 by Rep. Zwach, to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements; to Interstate and Foreign Commerce Committee.
32. PRODUCT SAFETY. H. J. Res. 869 by Rep. Halpern, to establish a National Commission on Product Safety; to Interstate and Foreign Commerce Committee.

BILL APPROVED BY THE PRESIDENT

33. VOCATIONAL REHABILITATION. H. R. 12257, to extend and expand the Vocational Rehabilitation Act. Approved Oct. 3, 1967 (Public Law 90-99).

PRINTED HEARINGS RECEIVED BY THIS OFFICE

34. APPROPRIATIONS. H. R. 11641, public works and atomic energy appropriations for 1968. Parts 1 and 2: civil functions, Dept. of the Army. Part 3: Bureau of Reclamation. Part 4: TVA and AEC. S. Appropriations Committee.
H. R. 11456, Dept. of Transportation appropriations for 1968. S. Appropriations Committee.
35. ELECTRIFICATION. S. 1365, amend Federal Power re jurisdiction of Federal Power Commission. S. Commerce Committee.

CONSIDERATION OF H.R. 7977

OCTOBER 4, 1967.—Referred to the House Calendar and ordered to be printed

Mr. BOLLING, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 939]

The Committee on Rules, having had under consideration House Resolution 939, report the same to the House with the recommendation that the resolution do pass.



CONSTITUTION OF H.M. 1911

of House of Commons, 1911-1912, and ordered to be printed

The following is a list of the bills submitted to the Committee on the following

REPORT

[The accompanying H.M. 1911]

The Committee on the following bills, having had under consideration the
resolution of the House of Commons, and the House of Commons, and the House of Commons,
has the honor to report to the House of Commons, and the House of Commons, and the House of Commons,

House Calendar No. 124

90TH CONGRESS
1ST SESSION

H. RES. 939

[Report No. 734]

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 1967

Mr. BOLLING, from the Committee on Rules, reported the following resolution;
which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the
4 Union for the consideration of the bill (H.R. 7977) to
5 adjust certain postage rates, and for other purposes. After
6 general debate, which shall be confined to the bill and shall
7 continue not to exceed two hours, to be equally divided and
8 controlled by the chairman and ranking minority member
9 of the Committee on Post Office and Civil Service, the bill
10 shall be read for amendment under the five-minute rule.
11 It shall be in order to consider without the intervention of
12 any point of order the amendment in the nature of a sub-

1 stitute recommended by the Committee on Post Office and
2 Civil Service now printed in the bill, and such substitute
3 for the purpose of amendment shall be considered under
4 the five-minute rule as an original bill, and read by titles
5 instead of by sections. At the conclusion of such considera-
6 tion, the Committee shall rise and report the bill to the
7 House with such amendments as may have been adopted,
8 and any Member may demand a separate vote in the House
9 on any amendment adopted in the Committee of the Whole
10 to the bill or committee amendment in the nature of a
11 substitute. The previous question shall be considered as
12 ordered on the bill and amendments thereto to final passage
13 without intervening motion except one motion to recom-
14 mit with or without instructions.

90TH CONGRESS
1ST Session

H. RES. 939

[Report No. 734]

RESOLUTION

Providing for consideration of H.R. 7977, a bill
to adjust certain postage rates, and for other
purposes.

By Mr. BOLLING

OCTOBER 4, 1967

Referred to the House Calendar and ordered to be
printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued Oct. 11, 1967
For actions of Oct. 10, 1967
90th-1st; No. 162

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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill.

HOUSE

1. AGRICULTURAL APPROPRIATIONS. Both Houses agreed to the conference report on this bill, H. R. 10509, and acted on items in disagreement (pp. S14582-8, H12113-20). See Digest No. 161 for amounts provided. During House consideration the following roll call votes were taken in support of the House position on items in disagreement: 377-8, in favor of insisting on the deletion of the \$52.2 million advance authorization for the cropland adjustment program (p. H13118); 362-24, in favor of insisting on a \$300 million operating loan level for Farmers Home Administration (Senate had increased the level to \$325 million)(p. H13119); 391-3, in favor of insisting on the House proposed level of \$1.4 billion for reimbursement for CCC losses in lieu of the Senate proposal of \$3.0 billion (p. H13120). Approved by a voice vote an appropriation of \$23 million for bartered materials for supplemental stockpile (p. H13120). The Senate receded from its position on these items (pp. S14584-6). This bill will now be sent to the President.

2. PAY; POSTAL RATES. Began debate on H. R. 7977, the postal rates and pay increase bill (pp. H13121-53). Rejected an amendment by Rep. Derwinski "to strike from the definition of the second-class non-profit category rural electric cooperatives" (p. H13152).
3. LANDS. The Agriculture Committee voted to report (but did not actually report) S. 219, to authorize the sale of certain land in Lander, Wyo.; and S. 1136, relating to surveys of timber and other forest resources. p. D902
4. ECONOMY; TAXATION. Rep. Thompson, Ga., protested the "attempts now being made by the administration to defeat the economy drive of the Congress through fiscal trickery and verbal chicanery." pp. H13156-7
Rep. Boggs inserted an article outlining the "tremendous growth of the American economy since 1961." pp. H13157-9
Rep. Dwyer inserted an Advisory Commission on Intergovernmental Relations' press release summarizing its recommendations on revenue sharing (pp. H13163-5) and her report to her constituents on Federal spending and taxes (pp. H13165-7).
Rep. Edwards, Ala., criticized "the administration's action of yesterday in telegraphing the Governors about possible cuts in the Federal share of highway construction programs." pp. H13184-5
5. CENSUS. Rep. Betts criticized the 1970 census questionnaires and stated they "violate the constitutional intent of the decennial census" as well as constitute "an invasion of privacy." pp. H13169-2
6. POVERTY. Rep. Gonzalez commended the war on poverty program and inserted an article, "Case for the Defense." pp. H13190-1
7. CONGRESSIONAL AGENDA. Rep. Albert spoke on the policies and programs of the administration and said that there are some 50 administration proposals on vital domestic matters that await congressional action. pp. H13186-7
8. WORLD TRADE. Rep. Brademas inserted a speech by Sen. Kennedy, N. Y., in which he discussed America's vital role in world economy. pp. H13198-9
9. CONSUMER. Rep. Rosenthal inserted excerpts from a speech by FTC Commissioner Mary Gardiner Jones, "'Consumerism' and the Role at Marketing--A Comparative Analysis of the Consumer Abroad and at Home." pp. H13193-4
10. EDUCATION. Rep. Daniels inserted the remarks of the President at the signing of the bill amending the Vocational Rehabilitation Act. pp. H13200-1
11. CROPLAND ADJUSTMENT. Rep. Anderson, Tenn., commended the cropland adjustment program and expressed regret that "in the face of a tight budgetary situation, this important activity may be temporarily suspended." p. H13205
12. EMPLOYMENT. Rep. Cohelan commended the administration's "newly announced program to mobilize the total resources of private industry and the Federal Government in a partnership to find jobs and provide training for thousands of America's hard-core unemployed." pp. H13208-9

Chairman of the Philadelphia County Democratic Executive Committee, etc., et al., Plaintiff, v. Joseph J. Scanlon, William A. Barrett and Herbert J. McGlinchey, each individually and as members of the Philadelphia County Democratic Executive Committee, Defendant.

To: William A. Barrett, 2324 Reed Street, Philadelphia, Pa. 19146.

1. You are ordered by the court to come to Room 653, City Hall, at Philadelphia, Pennsylvania, on October 16, 1967, at 10:00 o'clock A.M.

Date October 6, 1967.

By the Court:

D. BARLOW BURKE,
Prothonotary.
Pro D. DALTON,
Clerk.

[SUBPENA No. 35035]

SUBPENA: COURT OF COMMON PLEAS, COMMONWEALTH OF PENNSYLVANIA, COUNTY OF PHILADELPHIA, OCTOBER TERM, 1967, No. 117

In the matter of: Francis R. Smith, individually and as Chairman of the Philadelphia County Democratic Executive Committee; Peter J. Camiel, individually and as First Vice-Chairman of the Philadelphia County Democratic Executive Committee on behalf of themselves and all other officers, et al., Plaintiffs, v. Joseph J. Scanlon, William A. Barrett, and Herbert J. McGlinchey, each individually and as members of the Philadelphia County Democratic Executive Committee, Defendant.

To: Hon. William A. Barrett, Finance Bldg. (19102).

1. You are ordered by the court to come to the offices of Freedman, Borowsky and Lorry, Lafayette Bldg., 5th & Chestnut Streets, at Philadelphia, Pennsylvania, on Tuesday, October 10, 1967, at 2:30 o'clock P.M. to testify on behalf of Plaintiff in the above case, and to remain until excused.

2. And bring with you the following: All written material related to the above captioned controversy including but not limited to: (a) All memoranda, notes, documents and/or minutes of the meeting of September 15, 1967, held at the Bellevue Stratford commencing at or about 2:00 p.m. in which the alleged purpose of said meeting was the recall or ouster of Francis R. Smith and others as officers of the Philadelphia Co. Democratic Executive Committee; (b) all written or other records of proxy votes cast at that meeting; (c) all roll calls taken at said meeting; (d) all other papers related to said meeting which are in the possession of deponent.

Date October 9, 1967.

By the Court:

D. BARLOW BURKE,
Prothonotary.
Pro D. DALTON,
Clerk.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 939, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7977) to adjust certain postage rates, and for

other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service now printed in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill, and read by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereof to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois, [Mr. ANDERSON], and pending that I yield myself such time as I may consume.

Mr. Speaker, this rule calls for 2 hours of general debate for consideration of the bill H.R. 7977, the Postal Revenue and Federal Salary Act of 1967.

The rule is not a usual rule in that it makes in order that the committee substitute shall be considered as an original bill which has, for all practical purposes, the purpose of making any amendments adopted to that substitute subject to roll-calls in the House.

It also waives points of order, which has the effect of making it impossible for a person to make a point of order against that portion of the bill which deals with salary increases, otherwise if these two factors had not been present in the rule it would have been possible to knock out the salary increase as not germane to a rate bill.

It also provides that the bill be read for amendment by titles instead of by sections.

There are two ways one could describe that process. One could say that it made for a more orderly procedure, or one could say that it would expedite the reading. I believe both would be accurate.

Mr. POOL. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. POOL. I would ask the gentleman whether under this rule, under title I, which I believe is the title that has to do with the postal rates, it can be amended at any point? Is that the rule?

Mr. BOLLING. That is correct. The rule is entirely open with the exception of the kinds of modifications I have just suggested.

Mr. POOL. I have an amendment on first-class mail to reduce it from 6 cents back to 5 cents, like it is at present, and that could be considered at that time? I take it that is the recognized procedure?

Mr. BOLLING. The present speaker will not be the occupant of the chair.

Mr. POOL. I understand.

Mr. BOLLING. And will not be able to prejudice any rulings of the Chair.

Mr. POOL. But that is the way the rule reads now?

Mr. BOLLING. The rule is an open rule, I will say to the gentleman, and any germane amendment I would believe would be in order.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. Yes, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I support this rule with some reservations. I feel that when the bill gets into the Committee of the Whole it can be improved considerably through raising the rates on third-class mail, and in particular the rates on bulk commercial mail which I believe should be set at 4.5 cents a piece, instead of the 3.8-cent rate contained in the pending bill.

I have two amendments that I will offer when the bill is considered in Committee of the Whole.

One is to provide for a three-tenths of 1 cent surcharge per copy on issues of publications circulating more than 500,000 through the mails. The second amendment is to provide for certain increases in third-class mail rates. One of the important features is to provide a 4.5 cent rate for bulk commercial mail.

Mr. Speaker, I ask unanimous consent that the text of these two amendments be included at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The amendments referred to are as follows:

On page 23, line 14, strike out the double quotation marks, the semicolon, and the word "and".

On page 23, immediately following line 14, insert the following:

"(f) In addition to the rates of postage otherwise prescribed by this section, there shall be a charge of 0.3 cent per copy, when more than 500,000 copies per issue of any publication are mailed at the rates prescribed by this section, payable only on—

"(1) each copy in excess of 500,000 copies per issue mailed at the original point of entry; and

"(2) each copy mailed at other than the original point of entry; and".

On page 24, strike out line 15 and all that follows down through the second period in line 14 on page 25, and insert in lieu thereof the following:

"THIRD-CLASS MAIL

"SEC. 107. (a) (1) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates on third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed prior to Jan. 7, 1968 (cents)	Mailed on and after Jan. 7, 1968 (cents)	
(1) Individual piece-----	6 2	6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of--			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	18.0	Each pound or fraction thereof.
(B) Other matter-----	18	24.0	Do.
(C) Minimum charge of--			
(i) Regular-----	27½	4.5	Per piece.
(ii) Qualified nonprofit organizations---	1.25	2.25	Do.

"(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable."

(2) Subsection (e) of section 4452 of title 39, United States Code, prescribing the annual permit fee for third-class bulk mailings, is amended by striking out "\$30" and inserting in lieu thereof "\$40".

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I think the distinguished gentleman from Missouri, my colleague on the Committee on Rules, has adequately explained the technicalities of the rule under which the House will consider this bill which started out as a Postal Revenue Act of 1967 and which through the adoption subsequently of a committee amendment or substitute has become something quite different. And because we have relatively a short period of time today to debate this intricate and complex bill—and incidentally a very expensive bill if it is adopted, and because necessarily those 2 hours must be used by members of the Committee on Post Office and Civil Service, I should like to take just a few brief minutes this afternoon to discuss some of the reservations I have with respect to this legislation.

Incidentally, they bear on the remarks just made by the preceding speaker, the gentleman from West Virginia who has announced that he is not satisfied with some of the provisions of this bill as they relate to third-class mail and he has at least two amendments that he will offer.

It is not out of disrespect to the members of the Committee on Post Office and Civil Service that I make this observation that I think despite their diligence and despite the fact that they worked hard and have tried to bring forth a good bill that this bill is nothing less than a concession to political expediency. I say that because we have combined under a single head and we have commingled two matters which ought to have stood separately on their own feet.

We have not considered separately a postal rate increase bill. There is not any question but that the Post Office Department will operate this year at a deficit of over \$1 billion and over the next 2 years at a deficit of something like \$2¼ billion, and that a postal rate increase is needed. I would be the last one to dispute that.

I also feel that the dedicated and conscientious workers in the postal service and in the classified civil service deserve the consideration from Congress on their just wage demands.

But I find no excuse whatever and I find no justification whatsoever other than political expediency for bringing out on this floor today a bill which combines those two matters, which makes it very difficult for the Members of the Congress who might agree with the one proposition with respect to an increase in salary, to vote against the bill even though other provisions deal with rates that are inequitable. Or the very opposite of that situation might be true, depending on how you happen to feel with respect to this bill.

So I think it is unfortunate that we start with a bad bill in that respect.

I want to take a few minutes to talk a little bit about the provisions of this bill as they relate to third-class mail. You know right away we get into something very emotional when you mention third-class mail. For some reason the epithet "junk mail" comes very quickly to people's lips and they kind of look down their noses at anyone who happens to use third-class mail.

Let me just cite an example. There are 40,000 little businessmen in this country who operate Western Auto stores and 57 percent of their advertising today goes to postage, using direct mail to advertise through their circulars or catalogs the products that they have for sale. I think they resent this epithet of junk mail.

I have a list here that just involves the organizations, in one city alone—in one city alone in the United States for the period of January 1, 1967, through October 5, 1967. It is 15 pages long and I will not take the time to read the list of organizations that use bulk rates provided under third-class mail. But let me just very quickly read a few of them.

There is the Aldersgate Methodist Church, the Amalgamated Meat Cutters & Butchers Workmen of North America, the American Cancer Society, the American Federation of Government Employees, and the American Legion Department of Arizona.

I could go on with 15 pages of organizations of that kind, profitable, non-profitable, charitable, and otherwise. I think they would justifiably feel some resentment at having their use of the U.S. mail referred to as junk mail.

What does this bill do with respect to the third-class user? It provides that in

one fell swoop, in January of 1968, he is going to have to absorb a 32-percent increase in the cost of his mail. That means, to translate it into the actual cost of doing business for the small businessman, a 12-percent increase in the selling cost.

You talk about a full 5-percent wage increase having an undesirable impact upon the economy or an undesirable impact on one of our great industries like the automobile industry; what about the impact of a 12-percent increase on the little fellow, the small businessman who uses the third-class bulk rate of the mails of the U.S. mails to advertise his product?

That is bad enough in and of itself, but when you stop to compare that with the treatment that is given to the second-class user, the fellow who after these rates are adopted will still be paying only 42 percent of the cost of handling his particular product through the mail, this fellow will get only a 21-percent increase. Will he get it all at once? Will it land on him on the 7th of January, 1968? Oh, no. His treatment is far more tender. Only in three stages, the first of which begins in 1968, will we proceed to administer that 21-percent increase; whereas we would tell the little fellow who uses the third-class mails, "You take a 32-percent increase right on the chin, and you take it in one fell swoop in January 1968."

You know, I am here arguing for more than the fact that there are legitimate users of the bulk rates under third-class mail. I am arguing for one of the biggest and most important industries in this country. And those of you from New York and New Jersey might be interested in this. The second largest industry in your particular region is the printing industry of America.

I wish you would go back to the hearings on this bill and I wish you would find the testimony of Dr. Nobel, who is the head of an association of the printing industry in the metropolitan New York area, who was speaking for the printing industry of America, telling what the impact of this rate increase will be on that industry. These are the people that print the circulars, that print the catalogs that go to the third-class user of the mails and that he in turn distributes. These are the people who are writing me, as one did in my district the other day, and said that it was absolutely inconceivable that this Congress could legislate this kind of inequitable legislative monstrosity. He said:

There is one business after another that will simply go under because they cannot absorb this kind of increase just in one single blow in January of next year.

Let me remind you of one thing, and it is a pretty important point: This very Congress adopted the Postal Policy Act of 1958. And what did Congress say at that time? It said that Congress henceforth, in legislating any increases in postal rate, shall consider the impact that those rates will have upon business in this country.

When the appropriate time comes, when this bill is ready for amendment, I shall therefore offer an amendment

which will do this. I am not going to ask you to roll back the 32-percent increase, even though I think it is inequitable, even though under this committee bill your Aunt Minnie will totter down to the post office with her Christmas card and find that even though she does not seal the envelope, she must pay 6 cents instead of a nickel to send her relatives a Christmas card. But I am going to leave it alone. I will leave it at 32 percent because I realize, as I said at the beginning, that the post office needs revenue in view of the deficit it is facing. But I am asking you to do simple equity.

When the time comes, I am going to offer an amendment that will simply stagger that increase over a 3-year period, as we have done in this bill for the second-class mail users. I am going to ask for the same simple justice and simple equity for the small businessman, and the printing industry of this country, and the people who use bulk-rate or third-class mail. I am going to ask that we do for them what we have done for the people who use second-class mail privileges.

I might mention in passing that this includes some of the very wealthy news magazines in this country who get expedited handling. They do not just throw the magazines in, as they do the third-class mail, and let them sit around. The magazines get special expedited treatment.

I brought out some of these points when the distinguished chairman of the committee, whom I see in the Chamber now, was before the Committee on Rules a few days ago. I asked him why it was, when deficiencies on revenue attributed to second-class mail users are greater than those attributed to third-class mail users, why is it that we do not treat the second-class mail users and users of third-class mail more nearly alike. He said, "I could stand up and make the very same speech you have made before the Committee on Rules here today," I will yield now to the gentleman from New York for an affirmation of the remark I just made.

Mr. DULSKI. Mr. Speaker, I agree with the gentleman from Illinois. We should have three phases on the third-class mail. I supported the gentleman's position in our committee, but the committee did not agree.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for that assurance.

I hope when the time comes we do not get confused about all the rhetoric on third-class mail. Let us just remember that most of the people who use it are legitimate advertisers who cannot afford to take in one swoop the increase in this bill.

I hope the Members will support the amendment I offer, rather than any others that will be proposed by the gentleman from West Virginia.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Speaker, the biggest giveaway is in the second-class mail section as the gentleman has said. This is the newspaper-magazine section.

They have those extremely low rates which were set 160 years ago, when there was no other way of getting the news out. They have lobbied long and effectively to retain these low rates. There are many, many other ways of disseminating the news today so this favored treatment should end.

They not only get a low rate, as the gentleman said, but they get first-class high priority treatment. They not only get a ridiculously low rate to begin with, but that mail is handled as first-class priority mail. I had an amendment adopted in the subcommittee that imposed a surcharge on these newspapers and magazines who get this favored treatment, charging them an additional 25 percent for this special handling they receive. When it went to the full committee, that was knocked out. It can be reinstated by amendment and I hope such an amendment, in all fairness to the taxpayer will pass.

There is one newspaper in this country that is sent out largely by mail—about 95 percent of its circulation someone has said is through the mail. It is estimated the subsidy they get from the American taxpayer per year is in the neighborhood of \$20 million. This is the Wall Street Journal, which is one of the wealthiest papers in the country. They get the subsidy because of the low rates enjoyed by newspapers and who have a very potent lobby to keep them from paying adequate rates. We know of instances when postmen have had to delay going on their routes, waiting for trains or planes to come in with the out-of-town newspapers, before the postmen go out on their routes. It is really a sad situation. These powerful newspapers and magazines, mostly all of which cry out for economy and continually downgrade public officials to enjoy the biggest subsidy enjoyed by any class in the postal service.

The rumor has it that the users of second-class mail would get only a slight increase in rates—very slight I might say—if they would support the postal rate increase bill. This deal was supposedly made between the newspapers and the Post Office Department officials. I hope this would not be true—but sure enough, they did appear and did support the bill, so draw your own conclusions.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for his remarks. I simply affirm what I have said. If we pass this bill as it is reported to the floor today, we are going to be not only perpetuating an inequity, but creating a new one.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, in view of the debate on spending, deficits, inflation, and tax increase proposals that has been the center of attention in the House for the past 3 weeks, it seems to me that it takes an inordinate amount of something or other—I will not call it "gall"—for the Democrat leadership to

even permit this legislation to come to the House floor today.

It is at one and the same time a tax stamp bill, designed to reach out with one hand and take an estimated \$884,000,000 from already hardpressed citizens and taxpayers, and with the other hand dish out \$2,600,000,000 in pay increases to the bloated Federal bureaucracy.

In other words, with only 2 hours of general debate, the House is being asked to make a levy of \$3,500,000,000 on the public for increased postal rates and for Federal pay raises.

It is difficult to believe, but not once since this session of Congress convened has the full Post Office and Civil Service Committee had the opportunity to question the Postmaster General concerning postal rates and postal service, nor did the full committee ever have the opportunity to question the Postmaster General or any other departmental or agency head concerning the necessity for or the funding of pay increases.

A subcommittee of 10 of the 26 members brought a postal increase proposal to the full committee and promptly proceeded to disavow most of its own recommendations.

We are already hearing this afternoon, not yet having disposed of the rule, that the committee is now ready to accept still another amendment to the bill. The gentleman from Illinois [Mr. ANDERSON] is completely right, in that equity ought to prevail in this bill, but there was the opportunity when the bill was considered in the subcommittee and in the full committee to provide equitable treatment for all users of the mails.

Mr. Speaker, there is no justification whatever, as this bill provides, for an increase in first class and airmail which is now showing a profit. Under the pending bill first-class mail will pay 23 percent more than its allocated costs—in other words, it would produce \$518,000,000, or more than half the total increased postal revenues. It would mean that first-class letter mail rates had been increased 50 percent within a 4-year period. This, I say again, is thoroughly unjustified, especially when there is not the slightest indication this additional revenue will be used to improve the mail service.

In our report accompanying this bill, we of the minority expressed our agreement with Senator MONRONEY, chairman of the Senate Post Office and Civil Service Committee, when he said on February 24, 1967:

If we are going to increase the price of the first-class stamp by 20 percent, then the American public is entitled to a similar percentage increase in service.

The minority views also note that on September 21, 1967, the same day the committee approved postal rate increases, the Postmaster General announced the expenditure of nearly \$300,000,000 in the next 9 months for hardware and mechanized equipment, including 16 closed-circuit TV systems in an attempt to discover faulty mail-handling operations.

On June 1, 1961, Deputy Postmaster General Brawley, ridiculing the Eisen-

hower administration for similar expenditures, said this:

It does little or no good to move a batch of mail through a post office on conveyor belts—to have it sorted by electronic eyes and canceled by automatic devices—if, at the end of its breathless and eye-catching journey it must wait overnight for the train or plane which will carry it on its way toward its ultimate destination.

Yes, Mr. Speaker, let us be done with gimmickry and politics in the Post Office Department and get the mail moved, especially before saddling Mr. and Mrs. Average American and their children with a 23-percent premium on their letters and cards.

Again, I thoroughly agree with the gentleman from Illinois [Mr. ANDERSON] that this legislation ought to have been considered separately. We ought to have had a postal rate increase bill considered separately from the pay bill.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, will the gentleman yield me 3 or 4 additional minutes?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield the gentleman from Iowa 4 additional minutes.

Mr. GROSS. Mr. Speaker, in the matter of pay increases as provided in this combined bill, it will be most interesting to watch the maneuvering of the Democrat leadership in view of their claimed opposition in recent days to any delegation of authority to the Executive.

Under this bill a Commission would be created, effective in 1969, to recommend to the President the pay, allowances, and expenses for Members of Congress, Federal judges, heads and assistant heads of the executive departments and agencies, and other officials. Based upon the Commission's findings, the President would include in his budget his own recommendation to Congress with respect to exact rates of pay and the exact amounts and kinds of expenses and allowances for the Federal officials just listed.

Using the old, familiar back-door approach, the President's recommendations would become effective 30 days after transmittal of his budget unless Congress rejected his proposals.

But this is only half the story. Under the terms of this bill, three of the six pay increases are completely undefined and the authority to determine the amounts of three of the increases is delegated to the President without congressional approval. Nowhere in existing law is there provision for a delegation of powers such as are provided in this monstrosity.

This is blank-check spending and authority at its worst. In view of a Federal debt now standing at nearly \$340,000,000,000, and an upcoming deficit estimated at around \$30,000,000,000, to project pay increases into the uncertain future of a year and a half from now is not only the height of irresponsibility—it is fiscal insanity.

Mr. Speaker, this supposedly veto-proof legislation represents a masterful job of buckpassing between the administration and the majority members of the committee—with the American public a suffering victim.

Let me say in conclusion that I have had pending since Congress convened months ago bills that would take the Post Office Department out of politics, and transform it into the service organization for which it was intended. For some reason best explained by the majority, the legislation for this purpose languishes in committee.

Mr. Speaker, these combined bills before us ought to be rejected. I urge the House to send these ill-advised proposals back to the committee.

Mr. HALLECK. Mr. Speaker, will the gentleman yield to me?

Mr. GROSS. I yield to the gentleman.

Mr. HALLECK. I feel constrained to say to my friend from Iowa and to my good friend from Illinois that the joining of these two matters in this bill is not new. Now, possibly it is wrong. I do not think so. If it is, though, then I could not sit here without saying that in the Republican Congress in which I was the majority leader we combined a postal rate increase bill and a postal pay increase bill. For whatever it is worth, I might say to the gentleman from Iowa that at that time the representatives of the postal employees were very much against that arrangement. They came to see me, some 15 or 20 representatives from different States, and they said to me, "We do not think you ought to raise the rates in the Post Office along with our pay." I said, "Why not?" They said, "Well, if you do that, then the people who use the Post Office are going to blame us for the increase in rates." I said, "Well, who is supposed to take that responsibility?"

I only want to point out to the gentleman from Iowa that in the Post Office, as in every business in this country, there is a relationship between wages and prices. You have long heard and I have heard people say that there is no relationship between them. We have that going on now in the strike in Detroit. As far as I am concerned, I am not going to complain about joining these two. They are separate titles, and whatever equity there is in either one of them can be considered and debated in the committee, and it can be corrected if it is wrong. I think that is right. On the other hand, I do think we ought to have these things considered because they are not related. I would not want to see the day come, although it could happen, when some people here would vote for the pay increase but against the rate increases. That would be the easy way out.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield the gentleman from Iowa 1 additional minute.

Mr. GROSS. Mr. Speaker, I fail to comprehend what relationship there is between a postal rate increase and a pay increase for hundreds of thousands of Federal employees outside the postal service.

Mr. HALLECK. For what?

Mr. GROSS. For Class Act workers.

Mr. HALLECK. Oh, well—

Mr. GROSS. Well, just a minute.

Mr. HALLECK. Well, we do have the Class Act. If you want to take that out and consider it separately, OK.

Mr. GROSS. That is what I thought.

I do not see any relationship between a postal rate increase and an increase in this same bill for Class Act workers and for any number of employees in the executive branch of the Government.

Mr. HALLECK. Well, if the gentleman will yield further, does the gentleman see any relationship between the increase in pay of the postal workers and the increase in rates?

Mr. GROSS. I do not see any such relationship.

Mr. HALLECK. Well, let us stay on that.

Mr. GROSS. No; I do not see any relationship. A rate increase ought to be based upon merit and a pay increase ought to be justified on the same basis. No other department of government charges fees for the purpose of paying its employees.

Mr. HALLECK. Well, I disagree.

Mr. GROSS. The gentleman can disagree if he wants to. That is his privilege. I do not believe the pay of postal workers should be predicated on revenue raised by the Post Office Department.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. FULTON].

(Mr. FULTON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FULTON of Pennsylvania. Mr. Speaker, I strongly favor the passage of this rule on H.R. 7977, the Postal Revenue and Federal Salary Act of 1967.

I favor bringing back into some balance the debate now raging over the postal rate provisions of this bill, with the equally, and to me more important, provisions of the bill. These important provisions provide the necessary and long-overdue pay raise for our good U.S. postal workers, and for the Federal employees.

The U.S. Congress must not let action drag on these pay raises, as this has caused these people to be always following much behind the U.S. economy, instead of having the U.S. Government service become an outstanding service where people want to work for the Government. The U.S. Government is operated by these loyal postal workers and Federal employees. Congress ought to pay employees in accordance with these responsibilities and necessary services. The American people need good service and in order to obtain it we in the U.S. Congress are going to have to keep the U.S. pay raises moving right along with the U.S. economy.

Mr. Speaker, I am tired of hearing all the time about the poor postal workers being treated as second-class citizens. I believe in paying all postal workers and Federal employees who are doing a fine job, a good day's pay, for a good day's work.

The U.S. Congress by legislation in 1962 promised the U.S. postal workers and Federal employees full comparability with private business and industry in the U.S. economy. This is the solemn promise of the Congress, and I intend to fulfill that promise by voting for this rule and this bill.

Because of a personal interest, I will not vote on certain amendments on

postal rates that would inure to my personal advantage.

However, I do support the increases in the postal rates on second-class and third-class mail which have been recommended by the House Committee on Post Office and Civil Service, and are contained in this bill as reported by the committee. As I have weekly newspapers, I am a large user of second-class and third-class mail. Therefore, I cannot vote on reducing these particular items through any amendments which I understand will be offered from the floor.

In conclusion, may I say that the second-class newspapers do render a public service by furnishing news to those in their area of coverage, so there is a valid reason for the difference in rates between small newspapers on second-class permits, and large third-class mail permits which render no community local service, and do not have the cost of covering local news, local pictures, and local events.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin [Mr. STEIGER].

(Mr. STEIGER of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the distinguished gentleman yielding time to me.

I take this time, because this rule as proposed in House Resolution 939 has overlooked an opportunity for this House to act on something which is now languishing in the Committee on Rules of the House of Representatives. That is the proposal to remove completely politics from the operation of the Post Office Department.

Mr. Speaker, during the consideration of title II of the bill, H.R. 7977, I propose to offer an amendment to remove the political basis on which a postmasterhip or a rural mail carrier appointment is made.

Mr. Speaker, postal employees should not be placed in the position where obtaining a job or their future in the postal service is determined by the size of or regularity of their political contributions.

The more modern European systems are operated strictly on a professional business basis. They have recognized that in order to give quality service, the operations of these agencies must be divorced from politics. This is in sharp contrast to our own system where postmasters need two paramount qualifications—they must belong to the right political party and they must curry favor with the right politicians. The rule, however, does waive points of order on this matter and, therefore, it may not be possible for the House to give full consideration to this problem, one which I feel is of great importance.

Mr. Speaker, there are some 33,000 post offices and 31,000 rural mail carriers in this country. By the adoption of H.R. 7977 without my amendment we will be doing postal employees a disservice and we will be doing the quality of our Post Office Department a disservice. Certainly, every employee coming into the postal service should have an opportunity to rise through the ranks and attain a top supervisory position. This is

not the case today and the inequity will be continued unless we take action to stop the politics now played in the post office. The effort made in this bill to attract and hold employees by providing needed wage increases is a step in the right direction. Let us not stop, however, at that point. The American people deserve and are demanding quality postal service. This bill fails to provide adequate assurance of that kind of service even with the increased rates and better pay. One way to move toward better service would be to stop playing politics with postal service by adopting the amendment I shall offer tomorrow.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I think this House of Representatives should have the opportunity to consider this matter. The situation which presently exists in the congressional district which it is my honor to represent is completely absurd. I have a postmaster who was nominated in each of the years, 1960 through 1967—including this year—nominated every year, and twice was the acting postmaster, but he never was confirmed by the Senate.

When this happens it contributes to complete instability in the postal system in each of our localities, and I believe is a bad situation so far as the postal system is concerned.

I certainly hope that the amendment which the gentleman from Wisconsin intends to offer will be considered by the House. An amendment which I intend to offer is very similar to it, and I would hope that this Congress would have the opportunity to consider one of them.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. Yes. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to commend the gentleman from Wisconsin and want to associate myself with his remarks. I have filed similar legislation for several years and as the ranking Republican member on the Subcommittee on the Post Office and Treasury, and I have advocated this proposal to the Postmaster General, not only this one, but the previous Postmaster General. Certainly when the time comes for amendments I hope that such an amendment will be in order, and that it will receive the support of the Members of the House; it sure will have my support.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's support.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2½ minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I regret the manner in which this bill is being brought before the House today, with the limited opportunity for debate. I am particularly concerned with title II of the bill, the Federal salary increases. The salary portion of the bill consists of pages 35 through 76. This portion of the bill was not considered by the full committee to the same extent as the postal rate increase. Time after time we had motions to cut off debate. The previous question

was demanded before we had adequate time in the committee to consider various portions of the pay bill.

As the bill is being presented to the House it provides for a 6-percent increase for the postal workers, and a 4.5-percent increase for the classified employees and for all other civilian employees of the Government. It would be interesting to know when the military pay bill comes before this House whether it will be proposed to give the military a 6-percent increase in pay as is being proposed for the postal workers, or a 4.5-percent increase as is being suggested for all of our other employees.

I intend at the proper time to offer an amendment to provide for a 6-percent increase for all civilian employees the first year and for equality of treatment for the subsequent 2 years. It seems that it is fair and equitable to treat all Government employees in the same manner.

Mr. BOLLING. Mr. Speaker, I yield a minute to the gentleman from Illinois [Mr. ANDERSON].

GENERAL LEAVE TO EXTEND

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the rule may have permission to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOLLING. Mr. Speaker, I yield 15 minutes to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I shall not take the entire 15 minutes. However, I do wish to make a few observations in light of the prior debate.

First, I will say that the best statement made today was made by the gentleman from Indiana [Mr. HALLECK], whose leadership I nearly always follow blindly, although occasionally he loses me. I was glad to know that there was precedent for combining a rate and pay bill.

I do not know what is so outrageous about this. I hear mumblings about it, but the gentleman from Indiana put the case precisely that this is the reasonable way to do it. We brought in an expensive pay bill. It happens to be \$63 million over the President's budget. The rate bill that the gentleman from Montana [Mr. OLSEN], presented to raise postal rates is \$59 million more than the President asked for.

One cannot be in favor of a big pay raise without being in favor of some means to pay for it. This is what our committee has proposed to do.

As I say, the gentleman from Montana is for it, and I am for it. We have the best pay bill and the best rate bill that has ever come down the pike in quite a long time.

Second, we married these bills, and you can divorce them in the course of the debate if you want to. All it takes is a simple motion to strike title I or title II—that is all that it takes. And if a majority of the Members favor a big pay raise, but do not favor a rate increase, then a simple motion will do that job.

But the second reason that I was finally in favor of joining them—and I opposed it at first—was that this is an assertion of congressional responsibility. Some of us are pretty tired of the Executive sending up every year a Federal pay raise and saying, "Boys, that is all, that is it. You cannot touch it one-tenth of 1 percent."

This is what happened to the Federal employees the last 2 years. We were told that a penny more than 2.9 percent and the whole Constitution was going to crumble. Then we were told that 3.6 percent was the guideline and that was all.

Those of us who have studied it year in and year out think that the Federal employees promise of comparability is long overdue, and that we should go a little bit further and raise some money on the additional rates to cover it within \$4 million on the \$600 million pay bill; we are within \$4 million of covering the excess over the President's budget by these additional revenues.

I want to say that I was a little bit shocked about the gentleman from Iowa. Perhaps he has left the floor—but I saw a magazine just the other day that was put out by one of the Federal employee organizations and his picture was there as one of the heroes—there was the word "hero" under the picture, as fighting in the committee for more of a pay raise than the chairman of the subcommittee wanted to give and that the majority of the committee wanted to give. We were trying to be responsible and to hold down a pay raise to reasonable limits and we, apparently, are to be considered as enemies of the postal clerks and the gentleman from Iowa was listed as one of the heroes.

It seems to me today and I was going to make an inquiry—apparently he is against them now—they are part of this bloated bureaucracy, and now he is against a pay raise for them.

I hope he will have an opportunity to clarify his position as the debate goes on because this has disturbed me quite considerably.

I suggest to the House that this is a good bill—it is a good pay bill and rate bill. It is a responsible piece of legislation. The House is going to have the chance in the next couple of days to work its will and we encourage any of you who think you have amendments that may improve the bill to come forward and help us. But we have a good bill here and I would like to get on with the debate here and see if we cannot resolve this matter this week.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, if the gentleman is in favor of marrying the two bills on postal rates and salaries, do you not think that this would be a good bill also to divorce politics from the Post Office Department?

Mr. UDALL. I will tell the gentleman that I have always favored the nonpolitical appointment of postmasters. Some of my colleagues favor this; many do not. But if this subject is germane to the bill, it can be debated and that is why we have the rule we have.

If that is germane, then it is something that should be considered in the course of the deliberations. My personal opinion is that the gentleman's position is right. I think the majority of our committee probably disagrees and I know many of my friends probably disagree, but I am not going to argue with the gentleman and I suggest we adopt the rule and get on with the business of the debate.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DULSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7977) to adjust certain postage rates, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7977, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rules, the gentleman from New York [Mr. DULSKI] will be recognized for 1 hour and the gentleman from Pennsylvania [Mr. CORBETT] will be recognized for 1 hour.

The Chair recognizes the gentleman from New York.

Mr. DULSKI. Mr. Chairman, I yield myself such time as I shall require.

Mr. Chairman, the committee amendment to the text of H.R. 7977 is the most important, and the most comprehensive, single legislative measure ever reported from the Committee on Post Office and Civil Service.

Title I provides the largest increase in postal revenues—\$884 million—that has been brought before this House. Title II represents a highly significant—and long overdue—updating of Federal civilian salaries that affects nearly 2 million employees. Title III writes into Federal statutes new and effective measures to protect postal patrons from pandering advertisements sent through the mails.

Titles I and II, in particular, are carefully worked out and finely balanced revisions in the postal rate and civilian pay structures which are the chief substantive matters in the jurisdiction of our committee. Together with title III, they make up an excellent bill—a bill this body may be proud to approve.

As usual with legislation of such breadth and scope, it has been impossible to write a bill that fully satisfies everyone. Nor have our committee deliberations been a completely happy experience. A number of the provisions of the bill are controversial in at least some regard. But the committee bill represents an honest and realistic compromise, in the truest sense of the word, of the many proposals made by the administration, by

users of the mails, by employee groups, and by Members of Congress.

I am especially grateful for the courtesy extended by our committee members to their new chairman throughout the long and difficult sessions in our committee and its subcommittees—and for their extraordinary devotion of time and attention to committee business. Their diligence, perseverance, and constructive cooperation in developing this complex legislation have been most commendable. Few measures are more controversial—more subject to conflicting pressures and opinions—than across-the-board, postal-rate increases. The pressures were further aggravated by the always sensitive problem of fixing salaries for postal and other Federal employees.

Mr. Chairman, there are those who may allege today that our committee gave inadequate consideration to this bill. Any such charge is wholly without foundation in fact. Never have postal rates and Federal pay received more intensive and objective study than was case this year in our committee. The work of four standing subcommittees has gone into this bill.

The Subcommittee on Postal Rates received testimony covering 838 printed pages in 21 days of public hearings, over the period from May 9 to June 28, and met in seven executive sessions to report postal rate recommendations.

The Subcommittee on Compensation received testimony covering 380 printed pages in 13 days of public hearings, from April 25 to June 22, and wrote the salary provisions of title II on the basis of the wealth of evidence developed there. The salary hearings were supplemented by 9 days of public hearings before the Subcommittee on Position Classification on more than 200 bills to reclassify lower-level postal positions—and give the employees average 15-percent pay raises.

The Subcommittee on Postal Operations conducted public hearings in Washington and in the field on the continuing problem of obscene matter moving through the mails, as a foundation for title III.

The full Committee on Post Office and Civil Service then met together in 18 executive sessions, over a period of 38 days, before reporting H.R. 7977 with the committee amendments now before us.

POSTAL RATES

Title I will increase postal income by \$884 million annually when all of the rate adjustments are in effect. This added income is critically needed to avoid enlargement of the already heavy postal deficit and of the \$29 billion Federal budget deficit forecast for the current fiscal year.

The committee proposal carries out the postal recommendations of the President in most major respects, but will provide \$60 million more revenue than the President's proposal.

The President's major postal rate recommendations were for a one cent increase on first-class and airmail letters and cards; an average 22-percent increase, phased over a 3-year period, on all categories of second-class mail; a single increase averaging 28 percent on all third-class mail; an average 21-percent increase on preferential-rate

fourth-class mail—mainly books and records; and a special charge on odd-sized envelopes that cannot be machine processed.

Only two material reductions are made by the bill in those recommendations. The committee has delayed action on the odd-sized envelope charge for further study, and has provided lesser increases on solicitations and other mailings by nonprofit organizations engaged in charitable, religious, or health work.

Although 1967 postal expenses exceeded revenues by \$1.148 billion, all of this is not chargeable as postal deficit. In accordance with the Postal Policy Act of 1958, "public service" costs of approximately \$557 million are excluded, leaving a net postal deficit of \$591 million. The additional \$884 million provided by our committee bill will cover this deficit as well as a major part of such other increased costs as can be expected in the near future.

EMPLOYEES' PAY

The President recommended a general 4.5-percent civilian salary increase effective in October of 1967 and, also, that the Congress take the additional steps necessary to achieve full comparability of Federal and private enterprise salary rates over a 2-year period.

The committee adopted the 4.5-percent recommendation for all except postal employees. Postal employees will receive 6 percent in October, followed by another 5 percent in July of 1968. The other employees at that time will receive increases closing one-half of the amounts by which their pay lags behind private enterprise rates. Then, in April 1969, both postal and other employees will receive third-phase adjustments to bring their pay to a par with private enterprise pay rates.

The committee pay recommendations are substantially below many employee group requests, but represent a generous salary "package" that will finally achieve the salary comparability guaranteed by the 1962 Federal Salary Reform Act. The raises are only moderately more liberal than those recommended by the President.

PANDERING ADVERTISEMENTS

Title III is the final product of at least 4 years of dedicated work by our Postal Operations Subcommittee, in response to general public demand for legislative action to afford parents the means to protect their children from advertisements for obscenity and pornography sent through the U.S. mails.

SUMMARY

Mr. Chairman, the vital importance of early enactment of H.R. 7977, with our committee amendments, cannot be over-emphasized. The postal rate increases are desperately needed, not only to keep postal incomes reasonably related to expenses but, also, to provide a sound fiscal base for modernization of the postal plant and equipment to give the public the first-rate postal service to which it is entitled. The salary provisions are equally necessary, not only in fairness to the employees but to enable the Government to recruit and retain the high caliber of personnel required for the conduct of our great Government programs.

One further comment on Federal salaries is in order. It is a most regrettable fact that both the administration and the Congress have reneged grievously on their joint commitment to equate Government salaries with those in private enterprise. This policy was written into the Federal Salary Reform Act of 1962 with great fanfare and acclaim on both ends of Pennsylvania Avenue, but it has been honored more in the breach than in the observance. Initial enthusiasm of postal and other employees has turned to disappointment, frustration, and enduring bitterness as year after year, for 5 years, has witnessed a breach of our solemn trust.

And let there be no mistake as to the false economy—should the 1968 and 1969 pay adjustments be removed from the bill. This would be penny wise and pound foolish, and would practically guarantee another, far more costly and bitterly contended, pay bill next year—an election year.

Mr. Chairman, I urge the Committee of the Whole House to vote down all amendments to our committee amendments and to give this outstanding legislation overwhelming approval.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DULSKI. I am happy to yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is there a provision in the bill authorizing the President or some executive officer to fix the salaries of Federal employees in one section of the country at a different level from that applied in other sections?

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. DULSKI. I am happy to yield to the gentleman from Montana.

Mr. OLSEN. There is no such provision.

Mr. ABERNETHY. I believe I read of such a report in a newspaper a few days ago. The committee did not include such?

Mr. OLSEN. We did not. We did not include any sectionalizing of postal pay increase or salaries.

I understand an amendment may be offered in that regard, but it is not in the bill.

Mr. ABERNETHY. Let me read this. It says:

The House unit's pay bill also contains a provision allowing the Post Office Department to pay higher starting salaries for letter carriers and clerks in cities where recruitment for those positions is difficult.

Mr. OLSEN. That is a correct statement.

Mr. ABERNETHY. It is? Then there is a provision in the bill that will allow the Post Office Department to pay higher salaries in some areas than other areas?

Mr. OLSEN. Yes, when they find those facts to be prevalent.

Mr. ABERNETHY. Who will make that determination?

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. DULSKI. I yield to the gentleman from Arizona.

Mr. UDALL. The determination is made under present law by the Civil Service Commission. We had a provision in the bill that was knocked out in the final markup. An attempt will be

made to put it back in, I am told, to delegate that power to the Postmaster General.

That power exists right now. It exists in the hands of the Civil Service Commission.

Mr. ABERNETHY. Who will make the determination under this provision of the bill?

Mr. UDALL. The Civil Service Commission, under the provision now in the bill, has the power to make this determination.

Mr. ABERNETHY. Are they doing so now?

Mr. UDALL. Under the present law.

Mr. ABERNETHY. Are they doing so now?

Mr. UDALL. They have been doing very little, if anything, in the postal service. This is Governmentwide authority which they have exercised occasionally in the classified service, for nurses or technicians of a special kind.

Mr. ABERNETHY. This bill carries a special provision for such authority as related to postal employees?

Mr. UDALL. It does not.

Mr. ABERNETHY. It carries general authority?

Mr. UDALL. There is already general authority in the law for the Civil Service Commission to do that.

Mr. ABERNETHY. What is the difference between the provisions in the bill and the present law on this point?

Mr. UDALL. There is one minor change in the present law in this bill. Under the present law if they find a scarcity of employees such as nurses, radar technicians, or in a special category, they can hire them, instead of in the first step of the grade, in the seventh step. This bill would change that seventh step to the maximum step. They could go up to the 10th or 11th, or whatever the maximum was, and start the fellow at the highest step.

Mr. ABERNETHY. Who will make that decision?

Mr. UDALL. The Civil Service Commission.

Mr. ABERNETHY. That is the authority which is carried in this bill?

Mr. UDALL. It is already in the law. This bill does not change the Presidential authority, which he has delegated to the Civil Service Commission.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield further?

Mr. DULSKI. I yield. This is very interesting.

Mr. ABERNETHY. I go back to my statement. I just read a paragraph from a column written by one of the Federal employee columnists. He said there was such a provision in this bill. The gentleman from Montana agreed. I am trying to find out. Is there such a provision? If so, where is it in the bill?

Mr. UDALL. If the gentleman will yield one more time, the gentleman from Mississippi should not believe everything he reads in these Yankee newspapers.

Mr. ABERNETHY. I know. In fact, there is very little in them I do believe, especially if it is about me.

Mr. UDALL. In the draft bill, which I originally sponsored and had drafted as a compromise, we had a provision on that. That is what they are talking about.

The amendment was knocked out, and it is not in the bill.

Mr. ABERNETHY. The gentleman means they took out the Udall proposal?

Mr. UDALL. It wounded my pride, but it is gone.

Mr. ABERNETHY. It is not in the bill now?

Mr. UDALL. That is right.

Mr. ABERNETHY. There is no change in the law now?

Mr. UDALL. The change is from the seventh step to the maximum step.

Mr. ABERNETHY. Would the gentleman advise me of the total amount of revenue that would be raised by this bill?

Mr. DULSKI. It is \$884 million.

Mr. OLSEN. That is correct.

Mr. ABERNETHY. Eight hundred and eighty-four million dollars. How much would the bill pay out in salary increases for postal and Federal employees?

Mr. DULSKI. I yield to the gentleman from Montana [Mr. OLSEN].

Mr. ABERNETHY. Did the gentleman say \$884 million?

Mr. DULSKI. That is the total revenue.

Mr. OLSEN. The total increase in revenue is \$884 million.

Mr. ABERNETHY. Yes.

Mr. OLSEN. The total in pay increases will be \$330 million. At the end of the third year the total is \$628 million.

Mr. ABERNETHY. Will the gentleman yield for one more question?

Mr. DULSKI. I yield to the gentleman.

Mr. ABERNETHY. I read some place the other day that the bill would raise about \$880 million.

Mr. OLSEN. That is correct.

Mr. ABERNETHY. And I also read that the outgo the first year would be \$865 million, leaving a net of only \$15 million, approximately. How accurate is that?

Mr. OLSEN. I misspoke myself and I want to correct it now. You understand when we talk about postal rate increases that we are talking about \$884 million. That is earlier in the report. However, when we are talking about the employment cost increases, we have to look at page 61.

Mr. ABERNETHY. All right.

Mr. OLSEN. On page 61 the increase in 1968 is \$250 million.

Mr. ABERNETHY. For what?

Mr. OLSEN. For employees.

Mr. ABERNETHY. Federal employees?

Mr. OLSEN. Postal employees?

Mr. ABERNETHY. Postal employees?

Mr. OLSEN. Yes. I do not think you can compare any other salaries than postal salaries with the postal rate increase. In 1969 the increase is \$649 million. In 1970 the increase in pay is \$711 million.

Mr. ABERNETHY. That is postal also?

Mr. OLSEN. Yes. And, of course, the rate increase is \$884 million.

Mr. ABERNETHY. Will the gentleman yield for one more question?

Mr. DULSKI. I do not want to consume all of the time. There are others who want to speak.

Mr. ABERNETHY. I just want to ask one more question. How much does this

bill raise the salaries over and above the recommendation made by the President?

Mr. UDALL. If the gentleman will yield?

Mr. DULSKI. I yield to the gentleman.

Mr. UDALL. No. The President recommended a total pay raise of something like \$558 million for the executive branch. This bill is a total of \$621 million in this fiscal year for the same employees. We are about \$63 million over the President's recommendation which we raised, but the gentleman from Montana raised \$59 million more in rates than the President asked for. We closed some loopholes and put on some extra rates, so we are within \$4 million when you balance them off of being right on the President's budget—right on the nose.

Mr. ABERNETHY. I thank the gentleman.

Mr. CORBETT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, my purpose in asking for time at this point is to pick up the discussion that the gentleman from Mississippi raised and clarify some innocent misconceptions that may have been left by majority members of the committee. In the fiscal year 1968 the pay cost in this bill will come to approximately \$630 million, because they are retroactive to October 1, but because of the slow legislative pace the rate revenues will not reach \$884 million, but will be somewhat less than \$440 million. It is not accurate to use annual figures because the rate bill will not take effect until January as far as most rates are concerned that is the point that the gentleman was getting at.

Mr. ABERNETHY. Will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman.

Mr. ABERNETHY. Then the bill produces a deficit?

Mr. DERWINSKI. The bill produces more than \$450 million less revenue than the paper figure of \$884 million because of the delayed nature of the rate increase. However, in relationship to just the postal deficit, even assuming the most liberal increase in rates will be \$400 million, the pay increase for post office employees in fiscal year 1968 will be \$250 million. So \$150 million, in effect would be a reduction in the post office deficit, still leaving the post office deficit in excess of \$1 billion for fiscal year 1968.

I would also point out to the Members of the House that if they will look at page 61 and check the charts contained thereon, the total cost in this package comes to \$2.6 billion by fiscal year 1970, which means we are saddling the President of the United States with over \$2 billion in additional budget expenditures for which he has not asked.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CORBETT. Mr. Chairman, I yield myself such time as I may consume.

(Mr. CORBETT asked and was given permission to revise and extend his remarks.)

Mr. CORBETT. Mr. Chairman, many years ago the chairman of a particular

committee came before this body and spoke for about 30 minutes detailing the provisions of a bill which was then under consideration. As he was about to conclude his general statement, a colleague asked him to yield, which he did. The colleague asked the chairman would he please, before he concluded, tell the body whether he was for or against the bill.

Mr. Chairman, I feel somewhat the same way today.

If I went through this bill, section by section, and completely bored everyone, it is my opinion that I would still come out at the end saying that I am not just too certain whether I am for this bill or against it.

Mr. Chairman, there are many features of the bill which I thoroughly disapprove. There are many features of the bill that I thoroughly support.

Now, then, it is my hope that as the Committee of the Whole House on the State of the Union works its will certain portions of this bill will be improved.

It is my further belief that the other body will make some adjustments in it that will be wholesome.

Finally, Mr. Chairman, I am quite confident that the main features of the bill will be written in the conference committee and that when the conference has reported, I hope that we will have a bill that all of us can support with pride and justification.

Mr. Chairman, with reference to the question of raising salaries and rates being considered under the same title, as the distinguished gentleman from Indiana pointed out, this did happen when the gentleman was the majority leader of the House of Representatives. At that time I opposed it. Normally, I would continue to oppose it because, frankly, there should be no dependence of salaries upon rates. They are distinctly different matters.

What is fair and adequate compensation for postal employees is one thing. What is a fair and proper rate to be charged to the users of the mail is a distinctly different thing.

Now, then, that brings us right to the topic of "deficit." We have heard a lot of talk about brainwashing around here for the last few months. Well, for many, many years certain competitors have hurt other competitors by pointing out the large and growing postal deficit. Now, I think it ought to be told, and told plainly, it ought to be known by everyone that it is no more correct to speak about a deficit in the Post Office Department than it is to talk about a deficit in the Department of Agriculture, a deficit in the Department of Commerce, a deficit in the Department of Interior and Insular Affairs or a deficit in the Department of Labor, or anywhere else. The revenue from the sale of stamps or services does not go to the Post Office Department. It goes strictly to the General Treasury.

And we as a body here appropriate money for the conduct of the postal field service.

So I believe it should be made very clear that this service of the Government, which is probably the finest service rendered by any department, is paid

for with appropriated money, and the ascertainment and determination of rates and salaries should not be based on the difference between what is taken in from the sale of stamps and what is spent as a result of appropriations.

We might as well know this clearly, also, that title I of this bill is a stamp tax, purely and simply, and I would be remiss if I did not say that I had a great deal to do with the writing of that policy act of 1958, and it has stood quite unchallenged since that day, and one of the features of that policy statement is that in the determination of rates, the impact of the new rates should be a factor under consideration. If you are going to hit one group of users of the mails with a \$300 million increase, certainly you have got to know and understand to some degree how many people that is going to put out of work, how many companies are going to go bankrupt because they cannot afford the increased costs. And here is a cost which the industry has no control over whatsoever. They can control and bargain about labor costs, they can bargain about the cost of materials, but they cannot bargain with the Post Office Department when we say "the cost of your postage shall be x dollars, or x cents." This is an unpredictable and unnegotiable cost, and the impact therefore ought to be very carefully considered.

The gentleman from Illinois said that as regards the 32-percent increase in third-class rates that he is going to move to amend to phase that out in three steps, as the bill does with second-class, as it does with the salaries, if you please—almost everything in this bill is put in phases—because of the fact that we do not want a heavy impact coming at one time. Therefore, I am very happy that the gentleman is going to introduce that amendment, and I am going to support it. That is one of the improvements that can happen in this bill to make it much more palatable, and to make it much less dangerous to an important segment of our economy.

Mr. Chairman, this committee has been at work, as one of the staff members just informed me, for 3 months longer than it took the authors of our Constitution to write our Constitution. Now, that ought to be about enough time. But I do hope that we can proceed here in the next little while and get this bill passed and send it over to the Senate, and hope and strive to come out with a bill eventually that will be highly satisfactory to all of us and to the people who have to pay the bill.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. We will have time under the 5-minute rule for that. As for now I have a lot of time to pass out.

The CHAIRMAN. The gentleman has consumed 9 minutes.

Mr. DULSKI. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. HENDERSON].

(Mr. HENDERSON asked and was given permission to revise and extend his remarks.)

Mr. HENDERSON. Mr. Chairman, the gentleman from New York [Mr. DULSKI] has ably summarized the chief

purposes of this bill. Aside from the major rate and salary proposals, I will touch briefly on some of the excellent improvements in postal activities that will be made by the bill.

In the area of preferred rates for second-class publications of qualified nonprofit organizations, section 104 applies the realistic principle of separate rate treatment for the advertising and the editorial portions of these publications. A schedule of zone-based rates, to be applied in six annual steps, is prescribed for the advertising portions. The minimum charge per piece for nonadvertising portions is increased in three steps, in proportion to increases provided elsewhere for regular, or commercial, publications.

This same section gives desirable consideration to the value of agricultural publications by continuing per pound rates on advertising portions of such publications mailed for delivery in the first two zones outside the county of publication, for publications devoted to promoting the science of agriculture. This rate will apply only when at least 70 percent of the total annual copies go to subscribers in rural areas.

It is noteworthy that sections 103 and 104 continue the traditional policy of the Congress by maintaining a moderately preferential rate structure for small and locally oriented newspapers which are so important in the economic, educational, cultural, and social affairs of rural and small-town America.

Section 112 provides needed relief from present limitations on marks and enclosures permitted on second-class mailings. Subsection (d) will permit messages and notices of a civic or public-service nature to be placed on envelopes or wrappers in which copies of publications are mailed, under regulations prescribed by the Postmaster General, if no extra charge is made for the messages or notices.

In many cases it would be in the public interest for a publication to issue a special edition in honor of a centennial or anniversary celebration of a community, and to have a message or notice identifying the event on the cover or wrapper. Under present law, such a publication would be nonmailable at second-class rates. Also, enforcement of the present law is difficult and an unnecessary administrative burden. There are no similar restrictions on other classes of mail.

Finally, section 118 will give the Postmaster General the means to protect the public from solicitations or orders for services which are prepared by the mailers so as to mislead the addressee into believing they actually are bills for goods and services previously delivered or rendered.

The section makes any such solicitation nonmailable, and prohibits its carriage or delivery through the mails, if it is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due, unless it bears on its face, in conspicuous and legible type, a notice that it actually is a solicitation for an order of goods or services and is not a bill, invoice, or statement of account due.

The actual form of the notice to be im-

printed on the solicitation may be prescribed by the Postmaster General.

Mr. Chairman, the practice of such solicitations by shady promoters has grown to alarming proportions. The chief postal inspector reports that his office is currently investigating numerous promotions of this type. The majority operate in and from Los Angeles, Calif., although the promoters will occasionally employ mail drop addresses in other cities throughout the country. There can be no doubt that numerous addressees who receive these forms by mail are deceived into the belief that the form represents a bill for a listing previously requested.

Investigations have disclosed such a serious situation that the State of California recently enacted a law requiring any person who solicits payment of money, by writing that could reasonably be interpreted as a statement or invoice for goods not yet ordered, to place on the matter in 30-point bold face type this warning:

This is a solicitation for the order of goods or services and you are under no obligation to make payment unless you accept the offer contained herein.

I am also informed that the Federal Trade Commission is gathering evidence with respect to these promotional schemes for possible action under the Federal Trade Commission Act and the postal inspectors are cooperating with the Commission.

Many of you gentlemen may have read a recent article in the Washington Sunday Star describing how Washington area business and professional men are being deluged with official-looking invoices that appear to be bills for listings in the "Yellow Pages" of the telephone directory. According to the article, addressees are paying up to \$85 they do not owe under the impression that their listings in the classified pages have come up for renewal or that they neglected to pay for the original listing.

Mr. Chairman, H.R. 7977 is certainly the best bill that could be worked out in the very complex and sometimes controversial areas of postal rates and Federal pay. I hope it will be passed without major change.

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I understand that while I was off the House floor a few minutes ago trying to help a constituent solve a problem, the gentleman from Arizona saw fit to make some remarks directed toward me. If the gentleman had exercised just a little patience, I would have been back. I suspect that I spend more time on the House floor by accident than the gentleman from Arizona does on purpose.

If the gentleman cares to do so, I would be pleased to hear what he had to say, and I will try to give him an answer.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. UDALL. I think the gentleman knows that I have a great regard for his sincerity.

Mr. GROSS. Let us dispense with that, if the gentleman does not mind.

Mr. UDALL. No, I think, if the gentleman will yield, I want to say that when I began my remarks, I had observed the gentleman at the back rail, and then I had my attention drawn away. When I finished my first remark and looked around, he was not there, and in order to have any continuity in my thought, I had to finish the thought I began to express.

Very briefly, what I said was that in the gentleman's remarks earlier today he had referred to the salary increase as an outrage and going to a bloated bureaucracy. I remembered that phrase. I said that I had read a postal journal just the other day in which a picture of the gentleman from Iowa appeared under the label "hero" or "friend of the postal worker," and some of the rest of us were apparently labeled as enemies of the common people, the working people. I wondered if the gentleman from Iowa was for this salary bill. I was going to raise that question in light of his comment.

Mr. GROSS. Of course, the gentleman from Arizona, if he heard my remarks during consideration of the rule, knows very well that I am not for the salary provisions of this bill. I hope the gentleman gets this now loud and clear, so there can be no misunderstanding of that portion of his remarks or his question.

Mr. UDALL. I had wondered why, because the gentleman had been publicly announced as supporting a much larger salary increase, and I was kind of shocked in view of the gentleman's stand on economy.

Mr. GROSS. Of course, the gentleman knows better than that. The gentleman knows that I supported reclassification for postal employees. The gentleman, I am sure, knows why. Thousands of postal employees are virtually frozen in the middle levels of 4 and 5, and cannot move. Class Act employees can be promoted entire grades and all the steps in between, but a postal employee must serve out his time in the various steps on the ladder. The gentleman well knows this. I do not have to explain it to him. The postal employees under present conditions are entitled to reclassification. I so voted in the committee, so there will be no mystery about that.

As for the "hero" business, I suspect that the gentleman has had some publicity that he did not order in the newspapers in recent weeks. I cannot very well regulate this "hero" business or what goes into various publications.

Mr. UDALL. If the gentleman will yield once more—

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. UDALL. The other point I was going to make is that my friend apparently objects to the marriage of these bills, the rate bill and the pay bill. As I recall, a shotgun was held by the gentleman from Pennsylvania to the gentleman from Iowa which caused the gentleman to vote for the marriage of the

Corbett amendment to the bill. I was confused on that question.

Mr. GROSS. No, the gentleman is mistaken. I am sure the record will show that I voted against the shotgun wedding of these two bills.

Mr. LENNON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 303]

Ashley	Fulton, Tenn.	Rarick
Blatnik	Green, Oreg.	Reinecke
Bray	Hagan	Resnick
Broomfield	Hansen, Idaho	St. Onge
Dent	Hansen, Wash.	Sikes
Devine	Herlong	Stratton
Diggs	Holland	Sullivan
Dingell	Irwin	Utt
Downing	Jonas	White
Everett	Leggett	Williams, Miss.
Flood	Lukens	Willis
Foley	Moorhead	
Fountain	Myers	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 7977, and finding itself without a quorum, he had directed the roll to be called, when 393 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. CORBETT. Mr. Chairman, I yield myself 2 minutes.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 2 minutes.

Mr. CORBETT. Mr. Chairman, I wish to direct attention to a remark which I believe the gentleman from Arizona inadvertently made just before we were interrupted by the quorum call. As I recall, the gentleman said the reason the rate increase and salary bills are together is because of an amendment I offered in the full committee. Well, that is a very little bit of the truth. I did offer an amendment to reclassify the first five levels of postal workers, whereupon the gentleman from Arizona moved as a substitute for my amendment the salary bill. He prevailed because he had more votes over on his side.

However, I do want it thoroughly understood that I was not in favor of the marriage of the salary and rate increase bills. I was definitely in favor of reclassification. If that is not a correct picture, I would appreciate the gentleman from Arizona correcting me.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Arizona.

Mr. UDALL. The gentleman from Pennsylvania is honorable, of course, and always states the truth, and has just now. The difficulty is whether you call reclassification a pay increase. But the subject of giving more compensation by reclassification or pay increase was first raised by the gentleman's amendment. In self-

defense the only thing I could do to defeat the gentleman's amendment, which I felt was unwise, was to offer the whole subcommittee pay package as a substitute for it. So I think we are agreed on the facts. We can draw different conclusions. If the gentleman does not want to be the minister who presided over this marriage or said the vows, I apologize.

Mr. CORBETT. I do not even want to be the best man.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DERWINSKI], a member of the committee.

(Mr. DERWINSKI asked and was given permission to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Chairman, it is obvious that in 3 minutes I shall not have an opportunity to straighten out the complete confusion caused by the majority of the committee in producing this bill. I would like to point out to those of you who have the time that if you read page 74 and also start at page 77 of the committee report, you will see some minority views which I think are written with considerable clarity.

I would like to clarify one other item. This bill has a title "Postal Revenue and Federal Salary Act of 1967." Do not be misled for a moment to think that there is a fair relationship between the salary increases and the revenue. There is not. The salary increases over the 3 years will outstrip revenues. And do not be under the illusion that you are wiping out the postal deficit. You are not.

Also—and this I think is the main problem here—do not be under any illusion that you are going to give the American public an improvement in postal service. There is nothing in this bill that will provide an improvement in postal service to the suffering American public. So when this bill is finally voted upon there should be no illusions over what is being done for the public.

Another point is that we will be offering amendments that may clarify some of the dubious provisions of the bill. I believe that the only way you can recruit better personnel to the Post Office Department, especially in the metropolitan areas, is to have a salary schedule based upon the cost of living. The Department pays lip service to this principle but does nothing to implement it. There is nothing in the bill to do it.

One more item I would like to point out to you is the fact that the gentleman from Iowa [Mr. GROSS] and the gentleman from Idaho [Mr. McCURE] pointed out in minority views that there is a great deal of confusion caused by the committee and the subcommittee.

There is no relationship between the bill as produced by the subcommittee of our committee and the bill before us. Very often when a committee brings a bill to the floor, there is a tendency of Members to join forces behind the hard-working committee. Our committee worked hard for 8 months, but we did not produce anything too effective, and I do not believe there is anything in this bill that merits blind and automatic support, so I would recommend we give

thoughtful amendments very serious consideration, and hopefully we might make some progress in improving this bill.

There is a great deal of discussion about who put what packages together. The gentleman from Pennsylvania and the gentleman from Arizona have just exchanged polite platitudes about it. The fact of the matter is they are both wrong. I retract that. They are not wrong. They are both innocent. But they are both guilty of an old art called buckpassing. The facts of life are that the gentleman from Pennsylvania authored an amendment to the rate bill that brought up the pay issue. The gentleman from Arizona did not think he had enough votes to beat it head on, because the Department had not twisted enough arms on the majority side. So he came up with a substitute that was a bit more glamorous. It was a matter of strategy rather than fighting it head on. Unfortunately, the gentleman from Arizona felt that the Department had not twisted enough arms on his side. Then, in turn, the gentleman from Pennsylvania had some help on our side. The upshot of it was mass confusion, so the rate bill also became a pay bill, which is really an unhappy marriage, and we might consider separating them at the proper time in the amendment stage.

Mr. DULSKI. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. OLSEN].

(Mr. OLSEN asked and was given permission to revise and extend his remarks.)

Mr. OLSEN. Mr. Chairman, I rise in support of the committee recommendations as included in the committee amendment to H.R. 7977, with one or two minor adjustments that have been brought to my attention since the committee action. I will discuss these amendments at the appropriate time when the bill is read for amendment.

At the outset, as chairman of the Subcommittee on Postal Rates, I want to thank each member of my subcommittee for his very active and faithful service, on both sides of the aisle.

I might say when we marked up this part of the bill in the subcommittee, we not only had attendance of all of the subcommittee on both sides of the aisle, but we had the ranking minority member, the gentleman from Pennsylvania [Mr. CORBETT], and the chairman, the gentleman from New York [Mr. DULSKI], with us when we marked it up in subcommittee, so we had close attention.

I sponsored H.R. 7, which is a great controversy in the pay business. I am really disappointed that it did not pass the committee. But, as in all committees—and we are all on committees—we do not have our own way, and I did not have my own way, and the gentleman from Arizona [Mr. UDALL] prevailed with a compromise. He did not have his way either. We ended up with a proposition that I think is fair and reasonable.

I would vote for a higher pay bill, but not today, because I have made my agreement with other members of my subcommittee and with my committee, so I am going to stay with what we call the Udall pay bill.

It is this same thing with the Postal Revenue Act, which the gentleman from Pennsylvania [Mr. CORBETT] wants to call the "Stamp Tax Act," and that is Mr. CUNNINGHAM's label too.

I know there is a kind of friendship for the proposition, because I think Members will agree with me that we have done about the best we could do, and we really worked at it hard and long. As a matter of fact, we worked at it for weeks and weeks. We had 21 days of hearings, and for 7 days in subcommittee and 17 days in full committee in markup, and we ended up with an increase in first class and cards of 1 cent.

THE POSTAL REVENUE ACT OF 1967

As chairman of the Subcommittee on Postal Rates, I wish to utilize the remainder of my time discussing with you the provisions of title I of the committee amendment.

Mr. Chairman, I believe our postal service to be the key link of the Nation's commerce. It is the personal communications network of our 200 million citizens. It must be responsive to the needs of the public and to the needs of the business community.

Unfortunately, and all too frequently, many of us here in the Congress, as well as officials of the executive branch, look only to postal revenues to finance modernization of buildings, high speed mail processing equipment, and fair and equitable pay for our postal employees.

This is not right. I may not be old fashioned, but I still believe that fair and equitable pay for postal employees should not be considered in the light of available postal revenues. I still believe in the declaration of policy spelled out by the Congress, in the Postal Policy Act of 1958—39 United States Code 2302(b)—"that the Post Office is a public service."

Today the postal revenues do not even cover normal operating costs. The only conclusion we can draw is that we must bring postal revenues into line with operating costs after giving due consideration to the public service features which Congress has specified.

The President included five major recommendations for postal rate adjustments in his message to the Congress, dated April 5, 1967:

First-class and airmail: A 1-cent increase for cards and letters.

Second-class publications: An average increase of 22 percent for all categories of second-class mail, phased over a 3-year period.

Third-class: An average increase of 28 percent for all categories of third-class mail.

Fourth-class: An average increase of 21 percent for special rate fourth-class mail, consisting mainly of books and records.

A special charge for odd-sized, nonmachinable mail.

The committee amendment adopts each of these recommendations with three major exceptions.

First, on nonmachinable mail, the committee eliminated all provisions on this matter and delayed for further study the recommendations of the President. While the recommendation was for a charge on mail which was "nonmachinable," we developed a proposal that would define "standard-size mail," but we felt

that we should delay any recommendation for enactment of provisions on this subject pending a further study by the committee.

Second, the committee amendment proposes a 2-cent increase on airmail letters.

And third, the committee amendment applies lesser increases than those recommended by the President on the mailings by nonprofit organizations, particularly the mailings for charitable, religious, or general health purposes, and the mailings by nonprofit organizations which solicit funds for charitable, religious, or general health purposes.

The postal rate increases we are recommending, when fully effective, will add more than \$884 million to postal revenues. The postal service operating deficit in fiscal year 1967 was \$1.2 billion. The estimated public service cost was \$557 million, leaving a postal deficiency of \$591 million for fiscal year 1967.

The expected additional revenue of \$884 million will be sufficient to reduce the estimated postal deficiency and cover such increased cost as can be expected to be incurred in the near future.

Mr. Chairman, the postal rate increases we are recommending recognize the accepted congressional policy of maintaining a historical cost-coverage relationship among the several classes of mail.

I believe in, and strongly support, the policy that has been followed by the Congress from the beginning of the postal service, of maintaining the proper relationship among the several classes of mail.

First-class mail constitutes a preferred service and therefore, the postage for first-class mail should be sufficient to cover the entire amount of the expenses allocated to first-class mail, plus an additional amount representing the quality and the character of the service rendered in terms of priority, accuracy, security, and speed of transmission.

All other classes of mail, particularly second- and third-class mail, should have something substantially less than cost coverage, in that they provide a basis for communication of intelligence, the dissemination of information, the advancement of education and culture, the distribution of articles of commerce and industry, and contribute materially to the growth of many commercial enterprises, and to the national economy and public welfare.

Congress has recognized that all of these principles go to make up "the postal service as a public service."

In establishing any relationship between first-class mail and second- and third-class mail, we must recognize that mailers of second- and third-class mail are required to process and present their mailings as directed by the Postmaster General. We must recognize that the steps involved in the preparation by such mailers represent in most cases at least one-half the mail-handling steps that are performed by the postal employees in the case of first-class mail.

Just to give a major illustration, the mailers of second- and third-class mail must sack, bundle, and sort their mail, and deliver it to the post office, whereas

we all recognize that first-class mail can be dropped in the corner mailbox and is picked up and sorted by the postal employees.

I just want to remind my colleagues to bear these policies in mind in the event amendments are offered when the bill is read for amendments to eliminate increases in first-class mail, on the basis that we now have close to 100-percent cost coverage, or to provide increase in second- and third-class mail to bring them close to 100-percent cost coverage.

SUMMARY OF PROPOSED RATE CHANGES FIRST-CLASS AND AIRMAIL

The committee amendment provides an increase from 5 to 6 cents for first-class letters, and an increase from 4 to 5 cents for cards. We also provide an increase from 8 to 10 cents for airmail letters, and an increase from 6 to 8 cents for airmail cards. These increases will provide a cost coverage of 123.3 percent for first-class mail, and additional revenue of \$518.4 million. The cost coverage for airmail will be 138.9 percent, and the additional revenue will be \$49.7 million.

Following the rate increase of January, 1963, the revenue surplus from first-class mail dropped from \$295 million in fiscal year 1964, to \$68 million on a 1966 adjusted basis. Concurrently, cost average dropped from 116 percent to 103 percent. The decline in revenue surplus reflected rising costs, largely the result of salary increases and fringe benefits for postal employees, which represent over 80 percent of postal costs.

The modest surplus is earned mainly on heavier pieces. The 5-cent letter rate today fails to cover the cost on 1-ounce letters. It is the heavier first-class pieces that provide for the modest 3-percent cost-coverage surplus.

The annual volume growth between fiscal years 1958 and 1965 ranges between 0.2 percent and 3.2 percent. In 1966, however, volume surged upward more than 6 percent, reaching a high of 40.4 billion pieces of first-class mail.

Cost coverage for all airmail is currently 121 percent. However, after excluding the highly profitable air parcel post service, cost coverage on all other airmail is only 105 percent. In these circumstances, revenues from most 1-ounce airmail letters are insufficient to cover fully allocated costs.

The rates recommended in the committee bill will restore the cost coverage on first class and airmail to a higher percentage, where it belongs.

SECOND-CLASS MAIL

Within-county rates are increased as recommended by the Postmaster General, to a minimum charge per piece of 0.2 cents, and the pound rate is increased in three steps from 1.25 cents to 1.3 cents in 1968, 1.4 cents in 1969, and 1.5 cents in 1970. Also, the committee amendment discontinues the low per copy rates for publications mailed at post offices other than the original points of entry.

These are the rates that are applicable to small-town newspapers. On a current basis, fully allocated costs exceed revenue for these mailings by about \$67 million. There were roughly 1½ billion pieces of mail matter mailed under these rates in fiscal year 1966.

I would like to point out that these newspapers will pay, even under the committee bill, only about 1 cent per piece. However, I would also like to point out that the mailers of second-class publications do perform a lot of the mail-handling steps for this type of mail that postal employees perform in the case of first-class mail.

REGULAR PUBLICATIONS

The committee amendment provides, in effect, for a 23-percent increase in this type of publication, effective in three steps. The existing policy of zone rates for the advertising portion will be maintained. The larger share of the second-class deficiency applies to this category of mail. Cost coverage is higher than second class as a whole—29.3 percent versus 23.3 percent, before public service credits. On a 1966 adjusted basis, the deficiency attributable to publications is \$236 million.

When the rates provided by this bill have become fully effective, the cost coverage will be 36.2 percent.

NONPROFIT PUBLICATIONS

The committee amendment provides a new method of computing the postage rates on the advertising portion of nonprofit publications to make the rates more equitable with the rates paid on commercial advertising in other publications. At present, a flat rate of 1.8 cents per pound, with a minimum of 0.125 cent per piece, is charged. Under the amendment, the minimum charge per piece is increased to 0.2 of a cent. Rates on the nonadvertising portion are increased in three stages to 2.1 of a cent in 1970, and a six-step zone rate is provided for the advertising portions.

During fiscal year 1966, there were 2.3 billion pieces of nonprofit organization mail. The total cost to the postal service on this type of mail was over \$100 million.

By changing the method of computing the rate on this type of mail, this loss to the postal service will be reduced substantially.

AGRICULTURAL PUBLICATIONS

A new category of second-class mail is adopted for agricultural publications, which retains the existing rate for the advertising portion of these publications mailed in the first and second zones. The current rate, which will be maintained, is 4.2 cents per pound.

CONTROLLED CIRCULATIONS

A three-phase increase in the pound rate and the minimum charge per piece is adopted for controlled circulations, as recommended by the Postmaster General.

THIRD-CLASS MAIL

SINGLE-PIECE RATES

The committee adopted a single-piece rate of 6 cents for the first 2 ounces, and 2 cents for each additional ounce. This rate compares with the 6 cents for 1 ounce in the case of first-class mail.

The annual mail volume in this category for fiscal year 1966 was 3.3 billion pieces, or 16 percent of all third-class mail. The cost coverage will be increased from 86.2 percent to 114.9 percent for this category of mail. The additional revenue involved is approximately \$70 million.

BULK RATE REGULAR

The committee amendment provides a per-pound rate increase from 12 to 16 cents for books and similar items, and an increase from 18 to 22 cents per pound for the circular advertising material. The minimum charge per piece is increased from 2⅞ to 3.8 cents.

There were approximately 14 billion pieces of mail in this category in fiscal year 1966, with a revenue deficiency of approximately \$277 million, and a cost coverage of 61 percent.

The rates recommended by the committee will provide a cost coverage of more than 80 percent, and additional postal revenue of \$154 million.

Once again, I would like to point out that the cost-coverage figures do not take into consideration the many mail-handling steps that are performed by the mailers of this type of mail. If all of these were properly adjusted, the cost coverage under the committee proposal obviously would be 100 percent.

BULK NONPROFIT MAILINGS

The bulk nonprofit rates are 50 percent of the regular pound and minimum rates, except that the existing minimum rate of 1.25 cents per piece is increased only to 1.3 cents per piece for bulk nonprofit mailings of organizations with charitable, religious, or general health purposes, or when bulk mailings by qualified nonprofit organizations consist wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

The revenue deficiency in this class of mail was nearly \$100 million in 1966, and represents the mail of at least 82,000 nonprofit organizations which mailed about 2.9 billion pieces. The cost coverage will be increased from 27 percent to 33.4 percent, all of which is covered by a public service item.

SPECIAL RATE FOURTH-CLASS MAIL

The general rate for books, films, records, and other special items, which is now 10 cents for the first pound, and 5 cents for each additional pound, is increased to 16 cents for the first 2 pounds, and 6 cents for each additional pound. This category includes the tremendous mailings by the book and record clubs.

LIBRARY RATE

A special library rate, which is now 4 cents for the first pound, and 1 cent for each additional pound, is increased to 8 cents for the first 2 pounds, and 3 cents for each additional pound.

The postal deficiency in this category was \$75 million in fiscal year 1966, and there were approximately 219 million pieces, of which 203 million were mailed at the general rate, and 16 million at the library rate. The cost coverage will be increased from 42.4 percent to 54.1 percent, and the additional revenue will be \$12.3 million.

Mr. Chairman, I believe we have maintained the historical pricing policy of the Congress in recommending the postal rate increases in title I. I urge that they be approved here today without major changes.

The expected additional revenue, as I said, is \$884 million. It will be sufficient to reduce the estimated postal deficit, and it will cover all of the additional costs for the additional pay increase.

A lot has been made of the figures in the newspapers, that the pay increase would exceed the rate increase. Well, the pay increase for all Federal employees would, yes, but when we talk about the postal rate business we have to relate that to postal pay or relate it to nothing. We cannot relate postal rates to the pay of all other Federal employees.

I say again that the postal rate increase will exceed by a very great deal the postal pay increase. The rest of the Federal employees ought to be and will be covered by the taxpayers.

The gentleman from Arizona [Mr. UDALL] will point this out better than I can, but the reason is that we have to attract and we have to retain the best kind of leadership we can in the Federal service. If we do not, then we will not remain the leading nation in the world.

Mr. Chairman, I should like to have the attention of everyone. I do want attention now for a few minutes. I am going to make this very short, so I ask Members please to let me have their complete attention.

What is the reason there is a lesser rate for second- and third-class mail? I know everyone wants to know what is the reason.

I have to my right a case of mail. This is called a case, on my right. It is a bunch of pigeonholes. There are 49 pigeonholes here. This is what is called the primary case in New York City. In any city of more than 50,000 population there is a prime area case.

In that case one sorts first to groups of States. I pick out one part in the lower part of this cabinet which is for Southern States; I believe Georgia, North and South Carolina, and Alabama. That is in the New York primary case. When envelopes get into that particular pigeonhole, this only means it has been sorted once.

It has to be sorted a second time to each of the several four States and then sorted a third time to the sectional centers in those four States. The same thing happens when we talk about a group of Western States who happen to be in these 49 pigeonholes. So, when we talk about first-class mail or when we talk about airmail, that is not sorted once. It is sorted at least three times in any major post office, and I am talking about a place of more than 50,000 people. In New York City, for example, it could be more than three times. However, in the case of second-class mail, which is newspapers and magazines, and in the case of third-class mail, which is business advertising circulars, those items never see this case. They are not sorted at the receiving post office at all. The New York Post Office does not see this case with respect to second- and third-class mail. Second- and third-class mail under present regulations they are required to sort, tie off, sack, and ship to the airlines, as the case may be in the case of some second-class mail, but ship to the railroads all other second-class mail and the entire third-class mail. They must all be taken to the railroads. The Post Office Department never sees this mail. At the receiving post office all the post office gets is a check. Of course, there are many,

many views as to why and how they get that amount of money.

The sorting of second- and third-class mail is entirely in the delivery post office.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DULSKI. Mr. Chairman, I yield 3 additional minutes to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. In the delivery post office this mail, second- and third-class, is sorted for the mailman. Now we come to a new age in the Post Office Department. I will show tomorrow or maybe later tonight, if we get into that detailed debate, how in the case of some second-class and almost all of the third-class mail it is sorted at the place of embarkation for the postman the way he walks his route.

You can see that there is a great deal of saving for the Post Office Department because of the work done by second- and third-class. That is why we have this difference in rates.

We have some figures from the Post Office Department, and they are good figures for what they are thinking. They are talking about what they call a cost ascertainment system. However, this is not really a cost ascertainment system. More positively it is a cost allotment system. They are allotting the cost to one class or another. They tell us that it costs 5.3 cents to move an envelope in first-class weighing 1 ounce or less. Then they tell us that it costs 5.1 cents to move a third-class envelope that is 1 ounce or less. That could not possibly be so when all of these steps in packaging mail have been eliminated by third-class. It just could not possibly be so that there is only 0.2 cent difference.

We are planning to go into that difference completely. We looked into it very deeply. We recommend as members of the committee that you take our word for it and that we have done the very best that can be done for the present on the different prices of mail and for the different classes of mail. We trust that the members of the Committee of the Whole House on the State of the Union will follow the lead of the gentleman from Pennsylvania [Mr. Nix], chairman of the Subcommittee on Postal Operations; the gentleman from Texas [Mr. POOL], chairman of the Subcommittee on Postal Facilities and Modernization; and, myself, chairman of the Subcommittee on Postal Rates. We plan to go more deeply into this question as to what it costs to sort letters. Now, permit me to continue for just a minute on this subject. At some places in the world a postal clerk is reputed to be able to sort, what we call "case" now, but what you and I would say "sort" into this case, 60 letters a minute all day long. However, I do not believe it. In this country they will "case" or "sort" about 39 letters a minute, or, perhaps, 30.

The CHAIRMAN. The time of the gentleman from Montana has again expired.

Mr. DULSKI. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. OLSEN. Now, Mr. Chairman, with reference to this question of cost ascertainment, have we really determined what it costs to handle a letter at the

receiving post office and what it costs to handle a letter at the delivery post office? If we are able to do this, then we will be able to more nearly determine whether every class of mail is paying its own way.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the distinguished gentleman from Nebraska.

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Chairman, in my congressional district we have the headquarters of the Columbian Fathers, a worldwide Catholic missionary society. They posed a question to me—and I propose this colloquy for the purpose of legislative history on this bill—and seek some clarification of section 103 dealing with qualified, nonprofit publications.

What I want to ask the gentleman is this: Is it the intention of the committee that house advertisers or, technically, nonpaid advertisers, the category into which this organization falls since they receive no revenue—they put it in there themselves—I ask is it the intent of the committee that this type of advertising for which they receive no revenue should be charged the new zone rates upon the advertising portion of their magazine?

Mr. OLSEN. I think the committee's conclusion was to that effect.

The CHAIRMAN. The time of the gentleman from Montana has again expired.

Mr. CORBETT. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I wonder if the gentleman would care to comment upon that question?

Mr. OLSEN. I think we settled that in the committee to the effect that in-house advertising was not to be subjected to the increase in the rate for that class of mail.

Mr. CUNNINGHAM. It is my understanding that the department downtown decides what is advertising and what is not. I wanted to have the RECORD contain the statement to the effect that it is not the intention of the committee that this "house-type" advertising be subjected to the zone rates.

Mr. OLSEN. I agree with the gentleman absolutely.

Mr. CUNNINGHAM. Mr. Chairman, I have only a few moments left. On the matter of the display case the gentleman used I would like to pose this question:

It is true, as to what the gentleman said relative to second- and third-class mail—the only thing that the gentleman failed to mention is that even though second-class mailers do a lot of this work themselves, they still receive first-class treatment at the low, heavily subsidized second-class rates.

Mr. OLSEN. I think that in certain instances second-class mail receives first-class treatment. But I do think it is a kind of natural thing and I believe the gentleman agrees with me, because the second-class mail is prepared and it is ready for delivery by the mailman when it gets to the delivery post office.

And that is why it gets first class.

Mr. CUNNINGHAM. No, that is why it gets the low, low rate to begin with.

Mr. OLSEN. I agree with the gentleman.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. McCURE].

(Mr. McCURE asked and was given permission to revise and extend his remarks.)

Mr. McCURE. Mr. Chairman, the minority views to this bill begin with the understatement of the year in my opinion:

We believe that the enactment of H.R. 7977 is not in the public interest.

I readily joined in that dissent because this is a rate bill that ignores the rate problem, a classification bill that ignores the problem of reclassification, and a pay bill that say in effect, "Let someone else make the decisions."

Title I lowers the postal deficit and title II raises it again. As the Queen said to Alice:

It takes all the running you can do to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that.

If the purpose of increased rates is to make each piece of mail pay its own way, then why is second class paying 29 percent of its costs and third class paying only 32 percent of its costs and—I might add—first class paying 123 percent of its costs?

And why do we ask the users of first-class mail to make up the difference? If we are to subsidize second- and third-class mail users, it would be far preferable to let the taxpayers share that burden equally. The committee must plead guilty to knuckling under to pressures in its final product.

If, on the other hand, we are to assume that the purpose of increased rates is merely to reduce the postal deficit, the committee has failed again. The deficit was reduced only the time it took to add title II.

Perhaps all of this could have been excused had there been any assurance that mail service would be improved. But service never entered the picture. As a matter of fact, a very good case can be made for the fact that it is getting worse. I can refer to no better authority than the Postmaster General himself, who has referred to his Department as "a tottering structure," and has called postal service "self-destructive."

But of all the problems the committee faced in dealing with rates, the one that caused me the most anguish personally was in accepting the cost ascertainment figures supplied by the Post Office Department. I do not pretend to be an authority in this field, but I do not believe anyone else does either.

Time and again these figures were challenged by witnesses before the subcommittee.

That a problem exists is recognized by the United Federation of Postal Clerks, who passed a resolution urging an independent study be made of the mail distribution service.

When this resolution was brought to my attention last spring I asked the chairman of the committee about the value of such a study. He assured me that it was unneeded. Nevertheless, subse-

quent events have indicated that sufficient doubts persist in the minds of a sufficient number of people to warrant reconsideration of this proposal. If I am permitted to control all the facts used in any given discussion I can pretty well direct the conclusions which will be reached.

I cannot urge too strongly that the cost ascertainment system should be reviewed so we may determine whether or not our figures on the cost of providing service which we use in rate discussions are accurate. This the committee has failed to do.

I realize that the General Accounting Office is making a continued study of postal operations, but it has been some years now since their last report on cost ascertainment. Perhaps the President's Commission on Postal Reorganization will undertake such a study, although I have come to the reluctant conclusion that Presidential commissions as a rule are so much window dressing by which time is purchased against the time in which we must make solutions.

Suffice to say that, had such a study been made before the committee took up the rate bill, it is quite likely we would have a very different measure before us today.

It was the expectation of several of us on the committee that we would first go through the bill section by section and consider each rate category individually and then go back through the entire bill. This makes sense on a bill that deals with matters so intricately and extensively interrelated.

Our decision concerning one section to a very large extent depended on decisions to be made later in another section. Under the procedures adopted by our committee, we failed to go back. We did not give ourselves sufficient opportunity to give that full consideration of the bill.

With all the faults that I find in title I, they are but a ripple on the stream in comparison with my wave of objections to title II.

The procedures by which pay reclassification provisions were added to H.R. 7977 is deplorable. There were no witnesses and practically no discussion.

An average of 15 minutes was allowed for each amendment which was offered—scant time for 26 members to adequately consider such far-reaching proposals. Several members of the committee had amendments they wanted to offer and were denied the opportunity. The majority of the committee had decided in advance to ram through these features and there was little the rest of us could do. As far as I am concerned, it is impossible to say whether or not title II adequately deals with existing inequities in pay and classification. It may be that the Federal workers affected should have more. It may be they should have less. I honestly do not know. I am certain of one thing: When title II came in one door, representative government and free debate flew out the other.

The Subcommittee on Position Classification, who did have responsibility, held hearings on the reclassification bills, but it never did hold executive session or even discuss the testimony that was heard.

The Subcommittee on Compensation, which had no authority in this field, on the other hand, came out with a pay bill which incorporated in it some of the aspects of reclassification. It was this measure that became a part of H.R. 7977.

It seems to me that it is the responsibility of the Position Classification Subcommittee, not the Subcommittee on Compensation, to make these recommendations.

The most serious defect in title II comes in the abdication of congressional responsibility to decide future pay raises. If the bill passes in its present form, that matter will lie with the executive branch.

We have heard a great deal about the matter of congressional responsibility on the House floor lately, and I am really quite surprised to find that those who have been making the accusations should so quickly find that the shoe is on the other foot. The continual delegation of congressional authority to the Executive that has occurred over the years has come from Congresses controlled by the other party. This measure is further proof that they will never be satisfied until they have made the President judge and jury over every Government program in the book.

There is no doubt in my mind that this so-called vetoproof bill was prepared in collusion with the White House. Should this bill pass, a "reluctant" President will sign it into law. He will get the credit for raising salaries and Congress will get the blame for the added deficit.

Had the proponents of title II really be concerned about the postal worker, they would have insisted on an investigation into the opportunities for advancement within the postal field service, with a view toward finding a way by which the aggressive young fellow can be rewarded for his initiative. The present rigidity in the postal system, fostered by the unions and perpetuated by Congress, is a matter that we will eventually have to face up to.

In the end, we have here a bill that is unfair to the users of the mail for not adequately coming to grips with the rate problem.

We have here a bill that is unfair to the Federal employee for not adequately coming to grips with the reclassification and pay problems.

We have here a bill that is unfair to Congress because it relinquishes our authority to decide matters of compensation.

It is probably the worst-written piece of legislation to come before the House this year, and I fervently hope it will be defeated.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. NIX].

(Mr. NIX asked and was given permission to revise and extend his remarks.)

Mr. NIX. Mr. Chairman, the only thing I think the Committee on the Post Office and Civil Service has to plead guilty to—and it is an honorable guilty plea—although in days gone by I never thought that any guilty plea was honorable, but as I say, the only thing they would have to plead guilty to would be to the following:

That they held hearings from May 9 to June 28—a total of 21 days.

That they were in executive sessions of the subcommittee for 7 days.

That they were in executive session in the full committee for 15 days on postal rates; and for 2 days on pay schedules.

That they heard over 100 witnesses.

So, Mr. Chairman, I would consider that an honorable guilty plea.

Mr. Chairman, in the time allotted to me, it is impossible for me to touch upon the matters in this bill which I think are of the greatest importance. So permit me to just mention a number of the portions of the bill.

Mr. Chairman, the committee amendment to the text is a remarkable achievement in that, for the first time in the history of the Post Office and Civil Service Committee, it will adjust postage rates for all major categories of mail to the levels recommended by the Postmaster General on the basis of his review of the postal rate structure.

I am not unaware that we may expect proposals today to impose excessive further charges on regular second-class mail. The history of previous rate legislation tells us this. I would earnestly recommend that problems or objections that may exist with respect to one or a few publications not unduly influence the consideration of general postage rates that are so critically important to America's publishing industry as a whole.

This bill provides substantial but fair increases in second-class rates—a total of 23 percent, in three phases—which compares favorably with the 20-percent first-class mail increase. The extensive evidence developed in our committee rate hearings convincingly demonstrated that the 23-percent increase is the maximum the traffic will bear in second-class rates. To go higher, or to add arbitrary surcharges, could be fatal to many fine publications—with the real loss suffered by the millions of readers who want them and order them.

No doubt the difference between the second- and third-class rates in the committee bill will be questioned. As the Postmaster General testified before our committee, the difference merely represents a restoration of the relationship that existed between these two classes of mail prior to the 1962 Rate Act. Both second- and third-class rates in the House-passed bill that year were sharply reduced in the other body. The committee of conference increased the second-class rates, but not the third-class rates, as written in the other body. The bill now before us corrects that distortion.

Mr. Chairman, the second-class rates in our committee amendment are eminently fair and will contribute substantially to increased postal revenues.

As chairman of the Postal Operations Subcommittee, I will discuss title III of H.R. 7977 which is the result of years of work on the part of Congressman CUNNINGHAM and the Subcommittee on Postal Operations. Bills on this subject have passed the House of Representatives in previous Congresses by votes of 360 to 16 and 360 to 19. The Senate Post Office and Civil Service Committee did not act on this type of legislation and the bills died. In this case however, the Post Office De-

partment has supported the type of amendment we have in this bill and there is every indication that the Senate will take it up, both because of its inclusion in a postal rates bill and because of the support of the Post Office Department.

In the beginning of this session, two bills were introduced on the subject of obscene mail. One bill used the term "obscene mail" and the other adopted the term "pandering advertising." The pandering advertising formula was worked out by the Post Office Department and a bill introduced. Mr. CUNNINGHAM submitted title III as an amendment to the postal rates bill and the amendment had the advantage of combining the best features of both bills, and adopting the language "pandering advertising" which has been used with approval by the Supreme Court in the Ginzburg and Redrup cases.

The amendment is directed against "pandering advertising" a term first defined in the Ginzburg case by the U.S. Supreme Court. This amendment would allow a householder to return mail to the Postmaster with the request that this type of mail not be sent to his home again. The Postmaster General would make a judgment on the material returned to the Post Office Department by the postal patron as to whether or not the material is in fact pandering advertising. This is important in that most offensive material going through the mail consists of advertising rather than books or records.

The Postmaster General will issue an order to a mailer in an appropriate case, requiring that he cease annoying the mail patron with pandering materials. If this order is ignored, the Postmaster General can seek a contempt citation from a district court, which citation would be punishable by the court if it was ignored or violated by the mailer.

In the most recent pronouncement by the U.S. Supreme Court in the spring of this year, the Court took the position that a statute in the obscenity area must be based on a concern for either juveniles, or a concern for privacy, or a concern with pandering advertising. The amendment placed in this bill by the gentleman from Nebraska [Mr. CUNNINGHAM] is based on a concern for all three—juveniles, privacy, and pandering advertising. This title also brings this matter to the attention of the courts and the only enforceable action is taken by the courts; that is, punishment for contempt of court. I urge support of H.R. 7977 without change.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SCOTT], a member of the committee.

(Mr. SCOTT asked and was given permission to revise and extend his remarks.)

Mr. SCOTT. Mr. Chairman, in my limited time I would like to discuss title II of the bill relating to salaries of Federal employees.

This title, as it now exists, provides a pay increase of 6 percent for postal employees but only 4.5 percent for classified and most other civilian workers. Under the bill white-collar workers will not receive comparability until 1969.

Of course, nothing is provided for the military. The House will later have to

decide whether to treat the military in the manner of the postal worker or the other white-collar worker. Certainly I am not suggesting any reduction for postal employees, for which I have the highest regard, but I do believe that we should treat the classified worker, the Foreign Service employee, the Veterans' Administration employee and others as fairly as we treat the postal employee.

A few years ago the Congress determined a policy that Government employees should have pay and working conditions similar to those in private industry. And I believe in this principle of comparability. In the interest of equity to all employees, I shall propose a straight 6-percent increase for all employees for this fiscal year, the same 5-percent increase for next year, as is being afforded for the postal workers, and necessary adjustments to realize comparability in April of 1969.

Mr. Chairman, only last week the Assistant Postmaster General for Personnel, Mr. Robert J. Murphy, testified before the Post Office and Civil Service Committee of the other body regarding this bill in its present form. I quote from page 9 of his prepared text:

The single most glaring difference is its preferential treatment for Postal employees. Postal employees are given an average increase of 6 percent under the schedule to become effective at the beginning of the first pay period in October, while employees in the other statutory pay systems are given 4.5 percent as recommended by the President. I know of no logical justification for this disparity and cannot support it from the standpoint of the basic principle of equal pay, among employees under the various Federal salary systems, for equal work.

Also testifying before the other body, the Chairman of the Civil Service Commission, Mr. John W. Macy, Jr., referred to the bill now under consideration in the House and stated:

The first and most important reservation is with respect to the 6 percent increase proposed for postal employees, followed in 1968 by a flat guarantee of another 5 percent, neither of which would apply to other Federal workers. There is no rational basis for discriminatory treatment, even temporarily, between postal employees and all other personnel, military and civilian.

He added that postal salaries have already increased over the last 20 years significantly more than general schedule salaries. In 1945, city carrier salaries were slightly lower than those for GS-4, then CAF-4. They caught up with and generally moved ahead of GS-4, and in 1962 PFS-4 was linked with GS-5.

Mr. Chairman, these are the chief spokesmen for the administration. They recognize the unfairness of this proposed legislation, even though they are arguing for a straight 4.5-percent pay raise.

Because of the limitations of time, I will reserve comments regarding the merits of the 6-percent across-the-board increase rather than the straight 4½-percent increase until the amendment is offered.

However, Mr. Chairman, I would like to add that the committee staff has prepared the amendment under instructions to provide for identical treatment of all civilian workers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. UDALL].

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, in 3 minutes I cannot discuss any of the details of this bill. Despite the criticisms that have been leveled, I can say to my colleagues in the House that this is the best rate bill of the last 10, 15, or 20 years, and this is the best pay bill I have been associated with during my 7 years on this committee.

They are both sound and forward looking, and they meet the problems we face, and they do it in a responsible manner.

The committee has been criticized today and will be criticized tomorrow, when amendments will be offered about the magazines and newspapers and the alleged favored treatment for some of the second- and third-class people. I first want to pay a little tribute to Congressman OLSEN of Montana and his subcommittee. They were diligent and have produced a sound bill.

To take just one example, if those who complain about second-class mail will look at the table at the top of page 17, they will find the highest cost coverage in that category since 1926 will go into effect if this bill is passed, if the committee's recommendations as to second-class mail are passed. The magazines are not very happy about this. They do not think they have been coddled or that they have gotten any very big break out of the committee.

If we look at the same table on the top of page 17, in spite of all the talk about third-class mail and great favoritism shown them, the third-class mailers do not feel they have been shown great favoritism. If we run down the column for third-class mail, we will find highest cost coverage in that class since 1926 will go into effect after passage of this bill.

So this committee has done a responsible job on rates. I will be opposed to the Hechler amendment as well as any amendment which will retreat from the position of the committee, which is about as fair and tough as third-class mailers can absorb. It will bring that class up essentially to 100 percent of coverage, and that is where it ought to be.

Let me say a word about the pay section of the bill. Every year we have these annual hassles about salaries. I think there ought to be a better system. We are shot at from all sides.

In this, we really deal with three forces. We deal with the Federal employees, who have families to feed and children to educate and all of their problems, and they see things a little bit differently sometimes than others do. They have serious problems and we listen to them. We deal with an administration which always has problems of budget or inflation or priorities, and they are not always too happy about what we do or want to do. Then, we deal with taxpayers—and I am one myself—who will have to pick up the tab for whatever decisions are made by the committee and ratified by the Congress.

It has been said that you can please some of the people some of the time—but in this case we often cannot please anybody. But we have done our best. We have done our best, and I think we have a piece of salary legislation that this House and Congress can be proud of, because it is a piece of legislation that will redeem the pledge of comparability which this Congress made many years ago. This Congress gave a promissory note to the Federal employees in 1962. We said to them, "We will pay you comparable salaries," but for 5 long years the Federal employees have waited for this promise to be kept. Each year there was inflation, or guidelines, or this or that, and we did not do anything about it. In this bill we take care of it.

This is a full comparability bill. We do it in three stages in order to take into account the problems the administration has and the problems the country has this year with the huge deficit. But this will be written into law and we can say to the Federal employees, "The promise has been redeemed. It is written into law." This three-phase pay raise is a fair and equitable pay raise.

Complaints have been made that we have 6 percent in the first phase for the postal employees and 4.5 percent in the first phase for classified employees. Let me tell you why we had to do this. It is part of this delicate compromise I have been describing. We had to do this because it was the judgment of this committee, and 220 Members of the House introduced bills saying the postal people were entitled to reclassification. It was obvious unless we did a little bit of reclassification, the committee decision we reached was going to be overturned on the House floor. So the difference between the two, the 1.5 percent in this first phase is reclassification—not much reclassification, but it is a step toward reclassification.

In the second and third steps, the classified people, who do not get as much of a raise and as much attention in the first phase, will be taken care of, and they will be brought to full comparability. These are people who by and large are in the upper grades and can afford to wait.

Mr. CORBETT. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. THOMPSON].

(Mr. THOMPSON of Georgia asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of Georgia. Mr. Chairman, this bill, of course, is a compromise bill. I certainly support the marriage we have between the rate bill and the pay bill.

I do this for several reasons.

One is I feel that the Post Office employees are entitled to more than a 4½-percent pay increase and without the marriage there is a danger of a veto. Frankly, I would have liked to see this come about through reclassification but this did not work out.

The reclassification which the gentleman from Arizona spoke about a moment ago, and which more than 200 Members introduced bills to bring about—I happened not to be one of them, although I support the concept and believe it needs to be done—was not

reclassification in its entirety. It was reclassification of the lower levels.

The reason is, quite simply, that the postal employees in the lower levels are underpaid, and they are underpaid by more than any 6 percent.

It may surprise some Members to learn that it takes a Post Office employee, a clerk or a carrier, about 13 years to make as much money as a bus driver in Washington, D.C., makes the first day he goes to work. After 20 or 21 years he will make about \$7,200 a year.

In my own city of Atlanta, Ga., last year there were more than 5,000 exams given for Post Office employees. Less than 10 percent, or fewer than 500 people, passed those particular exams. Why was this? Why did fewer than 500 out of 5,000 pass? The exam is not that difficult. The reason is, quite simply, that the pay being given to carriers and clerks is inadequate to attract the personnel needed by the Post Office Department.

We have one of the most efficient postal services anywhere in the world. If we take the total mail volume we have, and divide it by the number of employees, the average employee of the Post Office Department in the United States handles approximately twice as much as is handled by employees of any of the postal services in Europe.

The committee has done a good job. I am not satisfied with it in its entirety. There are many changes I would like to see. There will be amendments I shall certainly support.

There is one thing I am very firmly in favor of, which is that the postal employees, particularly those in the low grades, deserve and are entitled to more than the 4½-percent raise the President proposed. In fact, if we are going to maintain our postal service and provide the service for business that we should provide, it is going to be necessary that we do provide at least this 6-percent increase.

As to the so-called subsidies which are provided here, which have been talked about, people say, "Let us not have a postal deficit." Frankly, I support the concept that all classes of mail should pay their fair share. I believe this is only just and reasonable. But I consider it totally wrong to say that we are going to penalize the employees by not paying them adequate wages.

It is simply not fair or just that we should penalize the employees of the postal service by saying that there is a postal deficit and, "We do not have enough money to pay you a decent wage, because the rates as established by this Congress are too low, and we are not establishing for second-class mail a rate which pays at least 50 percent of its cost."

I grant that it is not popular to propose higher rates for second-class mail. Those are the rates for the newspapers and the magazines, the people who are going to determine the publicity you will get and I will get to be reelected.

But I feel that we are going to have to, at some time, come face to face with this problem, and certainly it is not fair to the employees to say, "We have got a deficit and you cannot have a raise."

If we have a deficit and the people are doing the work, then the second-class rate should be raised.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. JOHNSON], a member of the committee.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I am rising today because I am the ranking minority member of the Subcommittee on Postal Rates. I am also one of the members of the Subcommittee on Compensation. I, too, attended all of the hearings. When the Subcommittee on Postal Rates was not sitting the Subcommittee on Compensation was sitting. We started early in May and we have kept going ever since to the month of October. So this problem has received tremendous study by all of the subcommittees and finally by the main committee.

Now, what were we faced with on postal rates? We were faced with this so-called cost-ascertainment report, wherein first-class mail was indicated as paying 103 percent of its way, second-class mail 29.3 percent and third-class mail 61.2 percent and fourth-class mail roughly 100 percent.

The bill that we considered in our markup sessions, after we held the hearings, was a subcommittee print which had no number on it. What did it do with regard to second-class mail? It made some 23 percent raise in second-class mail, which would take effect at once, the same as on third-class mail. Personally, after having heard the testimony, I felt that that was unfair to the magazine people and the newspapers in view of the fact that their subscriptions have been taken many years in advance. I am the one who made the motion in the subcommittee that second-class mail rates be phased out over a period of 3 years. The subcommittee sustained that. This also prevailed in the full committee. I thought surely when we got to third-class mail some 32 percent increase on third-class mail would rightfully, honestly, and fairly be phased out over a 3-year period also, just as the second-class. However, lo and behold, the long arm of somebody reached into that committee and, while seemingly at first we had support for phasing out the rates on third-class mail, suddenly the majority members of the committee froze, and today we are facing you, in my opinion, with an unfair discrimination, that is to say, third-class mail is going to take their rates all in one fell swoop whereas second-class mail is allowed to phase out over 3 years. Is that fair?

Do not get me wrong in this. I am not saying that it is wrong that second-class mail be allowed to take their increase over a 3-year period, because they have problems, but as we studied the third-class mail problem and saw the detailed work they do in preparing the mail and their contribution to the economy of this Nation and as we saw the wrapping and the sorting and the bagging and the other jobs they do, it certainly seemed fair that 32-percent raise in third-class mail rates should be phased out over the same period of time as the second-class mail.

I want to be fair here. I want to see the 32-percent increase come into full force within 3 years. In my opinion, the third-class mail then will be paying 100 percent of its way.

I am also on the Subcommittee on Compensation. We gave that a tremendous amount of study also. Yes, we studied H.R. 7 and the postal workers rightfully wanted to be raised from levels 4 to 5. I told some of the people who came to my office to see me that if the Classification Committee, after due deliberation, and the full committee after full deliberation and study released to this floor H.R. 7 or a bill just like it, I would support it, and that many of us would support it. I did not support a facsimile or watered down version of H.R. 7 in the subcommittee which I felt was hastily drawn. I do favor the Udall bill which we have here today on the floor before us.

What does that do? It creates a new level 5 for those who wanted it, but it is not a full level 5. It is about a 4.6.

Let me say here that the average letter carrier and postal clerk who might be in level 4 but in step 7 today has a salary of \$6,387 a year. Under this bill his salary will be \$7,117 next year. This is an increase of \$730. Perhaps it should better be said that if the Classification Committee can study the problem of the postal workers and study H.R. 7 and bring a bill here in front of this committee which is feasible and sound and within the realm of the budget of this great Nation of ours. I am sure most of us will support it.

Mr. OLSEN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. DANIELS].

(Mr. DANIELS asked and was given permission to revise and extend his remarks.)

Mr. DANIELS. Mr. Chairman, the 1-minute allocation of time is hardly enough during which to really go into the details of this bill. However, I do rise to urge my colleagues to support the committee amendments to this bill.

Mr. Chairman, this bill is truly a credit to all of our committee members and particularly to our chairman, the distinguished gentleman from New York [Mr. DULSKI], as well as to our subcommittee chairmen, the gentleman from Montana [Mr. OLSEN], and the gentleman from Arizona [Mr. UDALL].

Mr. Chairman, really, this bill represents a tribute to their unselfish dedication, their perseverance and their concern for Federal employees and the postal service.

Both subcommittee chairmen appeared here today and displayed to the Members of the House their ability and their knowledge on two very important facets of the bill, the postal rate increases and the proposed increase in compensation, which have been merged into one bill.

Mr. Chairman, I want to say that in my opinion this is a good bill and by far the best and most realistic and the fairest to all concerned.

Therefore, Mr. Chairman, I would hope that the rate of compensation for our postal employees as well as for our classified employees were larger. The salary

increases in title II surely are small enough recognition of the dedicated services of our postal and other Federal employees.

Mr. Chairman, I urge the Members of the House to support this bill.

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. RUPPE].

(Mr. RUPPE asked and was given permission to revise and extend his remarks.)

Mr. RUPPE. Mr. Chairman, I would like to associate myself with those individuals who have risen in support of H.R. 7977. I am particularly impressed with the suggestion and arguments that the two bills be combined.

Mr. Chairman, in my opinion, today we are considering a number of worthwhile proposals—whether they be urban renewal, slum clearance, whether they be aid to Appalachia or further endeavors with reference to the Great Lakes programs—most of which have had to be discarded because of the deficit with which we are faced and the addition to that predicted \$29 billion deficit further programs would entail.

Certainly, if we are going to pass a measure which calls for substantial pay increases as well as facility modernization, we have to raise the rates with which to pay for these services to our society.

I would like to say that the pay portion of the bill is a very wise one. I think it does justice to the Members and employees of the Post Office Department who have been promised comparability since 1962 and who, under this bill will finally be granted comparability in 1969.

Certainly, Mr. Chairman, some of the postal employees will receive a more substantial wage increase, than that which is proposed for the general service employees.

On the other hand, Mr. Chairman, these people have been stratified for a great many years at levels 4 and 5, and the opportunity for them to gain stature in the postal service is very limited.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I am glad to yield to the distinguished gentleman from Montana.

Mr. OLSEN. As a matter of fact the postal workers are frozen at level 4, for the most part, for their entire lives.

Mr. RUPPE. In effect; yes. They are very limited in their opportunities to get ahead. They do not have a challenging career in the postal service based upon past operations of the service. On the other hand, the GS people, while they are going to receive a 4.5-percent increase now, will also receive an increase next year, and then a further increase which will bring them full comparability in 1969, a comparability which, after all, has been promised to these employees and stated as the intent of the act of 1962.

Regrettably, Mr. Chairman, the rates had to be increased in first-, second- and third-class mail. I am very sorry, and I think it is regrettable that second- and third-class rate increases were not identical in timing and percentage. There is little reason to increase third-class mail so much at one time and give

second-class mail, which is enjoying almost a 70-percent subsidy, 3 years in which to pay projected increases.

In summation, I believe it is a good bill, and I believe it is a fair compromise of the proposals brought before the committee.

I believe I should compliment the committee also in adopting some Republican fiscal responsibility because certainly the bill allots the postal deficit of over \$1 billion. On the other hand, after public service it is somewhat less than \$600 million. The gain in the next several years of income over the pay proposals of the bill will be, I believe, over \$200 million in 1968, over \$200 million again in 1969, and a little less than that figure in 1970.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CORBETT. Mr. Chairman, I yield 1 additional minute to the gentleman from Michigan.

Mr. RUPPE. I thank the gentleman.

Therefore, Mr. Chairman, the increases in revenue will more than offset the pay increases, will provide funds for reducing the postal deficit, and will provide additional funds for modernization and for bringing the type of improved postal service that we should and must bring to the American public.

It is unfortunate that the second- and third-class increases were not the same, and that the timing of these increases is not identical, but I believe it is even more regrettable we are not bringing out legislation to take politics out of postmaster appointments. I know many of the Members feel the same way, and I am confident they will join me and other people in eliminating this political injustice from our American scene.

Yes, I do believe one of the great crimes in the postal service is that the postmasters, however qualified and dedicated they are, and other people appointed through politics, deny the regular employees in the Postal Service the opportunity of promotion, the opportunity to move into responsible and supervisory positions. This unquestionably has reduced the morale and efficiency of the postal service, and certainly should not be tolerated in the future.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. HANLEY].

(Mr. HANLEY asked and was given permission to revise and extend his remarks.)

Mr. HANLEY. Mr. Chairman, there has been a great deal said here today about marriage and divorce, two subjects which are totally unrelated to the issue under deliberation. I, for one, have not exactly been happy with this, I would have preferred separate consideration of rates and pay as the members know, but in all fairness and to be factual, it must be said that the marriage was consummated by my friend, the gentleman from Pennsylvania, through the introduction of the Corbett amendment. The net result here is a bill which I believe is a good one, thanks to the astuteness of Chairman UDALL and Chairman OLSEN and their committees, who I believe have come forth with a bill that suits the purpose in an excellent fashion, so far as pay and rates are concerned, under prevailing circumstances.

I further believe that a great deal of confusion exists with respect to the distinction between classification and pay. And the responsibility of this particular committee—and I refer to the Committee on Compensation—was to come up with a pay bill and not a classification bill. Classification can only be attained by a long-range study. I will say with respect to H.R. 7, and I commend those who sponsored it, because through it they have focused attention upon many inequities which exist in our classification and postal field systems.

It is the intent of the Subcommittee on Position Classification, of which I am the chairman, to go in depth on this matter and eliminate, hopefully, all of the inequities which exist in the classification system and the postal field service. Bear in mind that the efforts of this particular subcommittee were last paralleled about 20 years ago—back in 1945. There has been a great deal of water over the dam in the interim, many aspects of the system are now inadequate and we have a great deal of work to do, and we of the Position Classification Subcommittee intend to do it.

Mr. Chairman, I rise to speak in favor of the enactment of H.R. 7977, a bill to adjust certain postal rates, and for other purposes. In particular, my remarks will be addressed to title II, Federal salary increases.

Mr. Chairman, H.R. 7977 represents the recommendations of the majority of the members of the House Post Office and Civil Service Committee for postal rates consistent with the request of the President and appropriate to the needs of the public and the Post Office Department, for Federal pay rates that are equitable and due the 2 million Federal employees that carry out the many functions of Government, approved and funded by the Congress.

Both the postal rate and pay provisions of H.R. 7977, as reported to the House, were developed and recommended after long and full hearings by the responsible subcommittees. In my opinion, they represent the best possible proposals that could be brought before the House for its consideration and action on these matters. I believe that the chairman of the full committee and the chairman of the Postal Rate, and the Compensation Subcommittees of the Post Office and Civil Service Committee deserve the commendation and thanks of the Congress, the executive branch, the public, and Federal employees for the outstanding jobs they did. As you know, all members of the Post Office and Civil Service Committee were under tremendous pressures from all sides by those interested in the various pay and postal rates under consideration. Yet, with all of those pressures they have brought to the House a bill which we can all be proud of.

The pay provisions contained in the Federal Salary Act of 1967 as contained in title II of the bill before us are deserving of special comment. Many bills were introduced which would have increased the pay of Federal employees. Some would have given increases to all employees, others were designed to increase the classifications of some employees but contained no increases in pay or classification for other employees,

and practically all of them were more costly than H.R. 7977.

The Position Classification Subcommittee, of which I am chairman, held full hearings on H.R. 7 and related bills. Over 200 Members of the House introduced companion bills to H.R. 7 which proposed to reclassify only the first four levels of the Postal Field Service and provide other benefits for Postal Field Service employees. H.R. 7 would not have provided any increases for the one and one-half million employees outside the Postal Field Service, and postal employees would not have received equal treatment under the bill. The estimated increase in payroll cost for the Post Office Department alone under H.R. 7 would have been \$672 million.

Title II of H.R. 7977 which would provide substantial pay increases to over two million employees will cost \$628.8 million for this fiscal year. Under H.R. 7977 all Federal employees whose salaries are fixed by statute except Members of Congress, the President, the Vice President, and members of the Cabinet, will receive pay increases this year. Also this bill will put into effect for the first time the principle of comparability enacted by the Congress in 1962 but never effected by the President or the Congress. The principle of comparability is sound pay policy for the Federal Government. It provides that the pay for Federal jobs shall be fixed at rates comparable to those paid in private business for jobs of the same difficulty and responsibility.

To recruit and retain the highly qualified employees needed to carry on the increasingly complex and technical functions of government and to maintain its high standard of service to the public, the Federal Government has to compete with private business and State and local governments for its personnel. By not bringing its salaries into line with those of its competitors, the Federal Government has been discriminating against itself in recruiting and retaining the best qualified employees. This policy, as any businessman will agree, is penny wise and pound foolish.

To meet its competition for qualified personnel, the Federal Government must pay salaries comparable to those paid by its competitors. The President, the Congress, and the public, agree but we are not doing it. We are not doing it because in the past the cost of bringing Federal salaries up to those of private business, and our other competitors, in any one year has been said to be too high. Title II of H.R. 7977 overcomes this objection. It provides for full comparability of Federal salaries with those of its competitors in private business in three stages. The first stage provides the increases specified in the bill itself. The second and third stages are to be put into effect by the President in July of 1968 and April of 1969 on the basis of the Bureau of Labor Statistics' studies. Only then will Federal salaries be fully comparable to those in private business.

By the enactment of title II, the Federal Salary Act of 1967, the Congress will carry out its commitment to pay Federal salaries comparable to those in private business, and Federal employees will be assured of fair pay for their jobs

without having to plead with and pressure the Congress for them.

Adoption of H.R. 7977, including its provisions for salary comparability, will be a great step forward in the recruitment and retention of high-quality personnel. Its passage will provide fair treatment for Federal employees and an important advance in pay administration.

Mr. Chairman, title II of 7977 includes another significant improvement in salary administration. Section 216 will establish a quadrennial commission on executive, legislative, and judicial salaries. The commission proposed by section 216 is of significance, and a great step forward because it will help overcome the compression of Federal salaries at the top levels.

We all know that the Congress will not fix or allow the salaries of top Federal executives, other than the Cabinet itself, to reach or exceed the rates paid to its members. This policy has resulted in the pay of the top career positions being held at levels which are nowhere nearly comparable with the salaries paid in industry and business for jobs of comparable difficulty and responsibility.

It is the opinion of the committee that salaries paid at all levels in all branches of the Federal Government should honestly reflect the responsibilities of the positions involved. This is understandable, but in terms of its overall responsibilities for the welfare of the Government it is wrong.

The proposed commission would study the entire top salary structure every 4 years and recommend appropriate pay levels and relationships between and among the respective offices and positions and, the appropriate pay relationships between such offices and positions and the top positions subject to the general schedule pay rates. The commission's recommendations would then be subject to consideration and action by the President and the Congress. This procedure will, I feel sure, be acceptable to the taxpayers as a fair and equitable way of meeting the problem of paying their top public servants.

Mr. Chairman, I take this opportunity to compliment our colleague, Mr. UDALL, chairman of the compensation subcommittee, for his outstanding work in bringing this excellent legislation to the House. I believe the pay provisions of title II of H.R. 7977 are the most significant and important to come before it since the Classification Act and Executive Pay Act of 1949, and the Postal Field Service Classification Act in 1955. It offers each of us the opportunity to vote for a bill which will go down in history as one of the most comprehensive and sound pay bills ever enacted.

I urge every Member to support this outstanding and necessary piece of legislation.

Support for this legislation is further evidenced by the leadership of several postal employee associations per the following telegrams:

WASHINGTON, D.C., Oct. 9, 1967.

HON. JAMES M. HANLEY,
House of Representatives,
Washington, D.C.:

On behalf of the 200,000 members of the National Association of Letter Carriers we

request that you support title 2 of H.R. 7977 providing for postal pay increase when bill comes up for consideration this week.

JEROME J. KEATING,
President.

WASHINGTON, D.C., October 10, 1967.

HON. JAMES M. HANLEY,
Washington, D.C.:

On behalf of more than 320,000 post office clerks I respectfully request and strongly urge your support of an early and substantial salary increase for postal employees. In my judgment Title Two of the bill H.R. 7977 represents the absolute minimum increase required at this time to provide a small measure of justice for these deserving employees. Your support of Title Two when the bill H.R. 7977 is considered by the House on Tuesday will be sincerely appreciated.

E. C. HALLBECK,
President, United Federation of Postal
Clerks.

WASHINGTON, D.C., October 10, 1967.

HON. JAMES M. HANLEY,
Washington, D.C.:

The sixty two thousand regular and substitute rural letter carriers of the nation are eagerly anticipating favorable legislative action on pay provisions of H.R. 7977 under consideration on behalf of these dedicated postal employees. May I earnestly seek your support and urge a favorable vote.

CAREY W. HILLIARD,
President, National Rural Letter Carriers Association.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to a former member of our committee, the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, the arguments being made today pro and con concerning this legislation are the same arguments we have heard over and over again whenever the House has considered legislation to provide for an increase in postage rates or an increase in the salaries of Federal employees.

Frankly, I think we are creating more confusion and misunderstanding concerning the legislation than is necessary. The legislation is quite simple, and if it is considered in its proper perspective it should be noncontroversial.

First, let us talk about the proposed increase in postage rates. No one wants to pay a higher postal rate. We find objections coming from businesses and industries as well as from individual users of the mail.

Higher postal rates are particularly objectionable at this time, when complaints regarding the postal service are greater than they have been for many years. But the cost of providing postal service has gone up. The American people are paying more for all other services and benefits they receive. In addition, there is a great need for modernizing and streamlining the postal system in keeping with this age of modernization. The use of the mails has been increasing by leaps and bounds—at a much more rapid rate than postage rates have increased. In fact, there are 80 billion pieces of mail going through the system this year as compared with 25 billion pieces 30 years ago. In other words, the volume is three times greater. So, if we fail to modernize our postal system, the service will deteriorate to the point that action will be demanded by the American people.

The question, then, seems to be not whether or not our postal system must be modernized, but who should pay for the increases in costs. The Congress in the Postal Policy Act of 1958 answered that question when it was decided that postal revenues should approximately equal the costs of the postal service. In other words, the users of the mail would pay for the service.

Who else is there to pay for this service? The U.S. taxpayers?

Well, if the taxpayers are to pay for the costs, how should the costs be distributed among the taxpayers?

As you know, we are continuously studying more equitable means of distributing the tax load. Obviously the most equitable way of distributing costs among the taxpayers would be on the basis of the use of the mail by the taxpayers—which gets us back to the fact that it is the patrons of the mails who should pay the costs of the service.

You can call postage rates a tax or a payment for services. You can call postal operations a governmental service, a business or a fringe benefit. As the saying goes, a rose by any other name would smell as sweet.

Since the facts of increased costs and need for modernization cannot be changed by changing the name, the increases must be paid for. It is inequitable to pass the cost of today's mail service on to future generations by deficit financing.

Insistence that the postal service be self-supporting is not without precedent in Government operations. The Federal highway program, for example, is paid for out of a trust fund created by an excise tax on gasoline; the services provided to airports by the Federal Aviation Agency are paid for from the aviation fuel tax; and of course, the Federal Housing Administration has always been self-supporting. I feel strongly that whenever possible the beneficiaries of a service should be required to pay for services received.

We will have a deficit this year in the operation of the postal service in the neighborhood of \$1.2 billion. This deficit will exist without increasing postal salaries. The bill before us provides a modest increase in postal rates in the amount of \$884 million. It is not a perfect bill, but it is the result of a compromise. We can never come to 100 percent agreement on how costs or charges for postal service should be allocated among various classes of mail. But it is still the best bargain in the world today, and this rate increase bill is a step in the right direction toward making the postal service self-supporting.

With regard to the question of salary increases for our Federal employees, many of our colleagues are charging that salary increases will increase the cost of Government, and are asking how we can support this salary increase if we are sincere in our desire to reduce the pending \$30 billion Federal deficit for fiscal year 1969.

My response is that it is not, and I repeat, not, salary increase which will increase the cost of Government. It is the cost of living, inflation, that is requiring an increase in pay at this time. It is the adding of new and costly Fed-

eral programs, new Federal agencies creating 3 million extra Federal jobs, which has increased the cost of Government.

We can economize by reducing and eliminating some of these wasteful programs and the added number of Federal employees who must administer them. We cannot economize by paying our employees substandard wages.

As a businessman for a number of years before coming to Congress I learned that trying to pay bargain basement wages to employees is false economy. It is bad management to think that Federal employees should work for less than they can get in comparable jobs outside Government. We are going to get exactly what we pay for, either in buying goods or services.

The Congress officially recognized this fact of life in 1962 when it was decided that Federal employees should receive equal pay for equal work, and that it was essential that Federal salaries and wages be comparable with wages paid for similar skills in private industry. That was 5 years ago. We have not yet obtained our objective, but the bill before us today provides for reaching comparability by April of 1969. It provides for no more than what we agreed was essential 5 years ago in pursuit of good and sound personnel management.

I represent a congressional district which includes many thousands of Federal employees. I make no apology for being interested in their welfare. This is consistent with good representative government. I do not feel, however, that my position on this legislation is inconsistent with administrative practices that I would employ if I were in private business or serving as a member of a board of directors in a large private industry.

Many complaints have been made to me regarding the discrimination between the 4½ percent immediate increase provided for classified employees and the 6 percent immediate increase for postal employees. I certainly prefer and insist that all employees be treated alike. At the same time I recognize the give and take that is necessary in arriving at a compromise in the legislative process. I recognize also, that promotions in the postal field service are limited in comparison to promotional opportunities in the classified service. The postal employees have done an excellent job of bringing this to our attention.

I recognize that there are three steps in the salary increases provided in this bill, and that in due course both classified employees and postal employees will receive equal treatment. And I also recognize that we must face the fact that a further increase for classified employees at this time could well result in no increase at all for anyone. Yet this does not justify the discrimination between these two groups.

I repeat, we cannot economize by failing to meet competition in wages and salaries for our own employees. Obviously we cannot economize by cutting salaries, nor can we economize by failing to pass this pending legislation. Indeed, failure to pass this legislation may cost us a great deal more in the long run.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. HECHLER].

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Chairman, we are considering this bill today in entirely different economic conditions from those that prevailed last April, when the administration proposed a 3.8 cents per piece bulk third-class rate. We are in an entirely different economic ballgame. The conditions are radically different. As well as trying to scrutinize rigorously expenditures and appropriations, we have to look very carefully where we can obtain additional revenues. I hope that the committee will accept my amendment to raise the third-class bulk commercial rate to 4.5 cents. This and other increases proposed in the amendment I will offer will bring in an additional \$370 million a year, whereas the committee bill, with its 3.8-cent third-class rate, will bring in only \$234 million per year. This means that my amendment will produce \$136 million of additional revenue beyond the committee bill.

Comment has been made this afternoon that perhaps the committee bill contains a rate which already enables third-class mail to pay its way. Mr. Chairman, I would simply like to point out that when the pay raise goes into effect in this pending legislation, this will drive down the cost coverage for third class as well as other classes of mail. On the 5th of October 1967, the Assistant Postmaster General, Ralph Nicholson, wrote me a letter indicating that cost coverage when including the pay rates in the present bill, and considering ZIP code savings, would be only 91 percent in the Hechler amendment, which sets the rate at 4.5 cents. Mr. Nicholson computed cost coverage for the committee rates on third-class mail at 82 percent, when considering both ZIP code savings and the pay raises contained in the pending legislation.

Mr. Chairman, a businessman who buys a billboard does not expect to get subsidized by the taxpayers when he advertises on that billboard. Why, then, must he be subsidized by the taxpayers of the Nation when he advertises through the use of third-class mail? It is fair to talk about a tax increase when part of that tax increase would be used to subsidize third-class mail advertising?

Third-class advertisers say they have a \$40 billion a year industry. If they have a \$40 billion a year industry, they certainly ought to be able to afford to pay their way which means to pay what it costs the Post Office Department and the taxpayers of this Nation to deliver the mail and run the Department.

The annual deficit for third-class mail runs \$401 million. My amendment would cut this down by \$370 million.

My speech can be best summarized by Herblock's cartoon this morning depicting a meek postal patron buying a stamp. The postal clerk is giving part of the customer's money to a very corpulent character labeled "Junk Mail Users," and the clerk is telling the customer, "Part of what you pay is for what you

mail and part is for what he mails to you."

Mr. CHARLES H. WILSON. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I am glad to yield to the gentleman from California.

Mr. CHARLES H. WILSON. I wonder if the gentleman really feels that that is an accurate portrayal of the situation?

Mr. HECHLER of West Virginia. Yes, I do; because I just pointed out to the gentleman from California that cost coverage under my amendment would be only 91 percent. Third-class mail is now subsidized.

Mr. Chairman, I would like to expand my remarks with further comments on postal rates for nonprofit organizations.

Sympathy for a worthy cause is a good old American trait, but it has gone hog-wild in the setting of ridiculously low postal rates for churches, charities and other nonprofit organizations. This is an area which Congress has long regarded as a "sacred cow." In advocating a more rational approach to postal rates, I have been besieged with arguments like the following:

"Would you penalize your poor country churches, struggling to mail out their weekly church bulletins? How can the Little Church in the Wildwood possibly survive if its fund drive is crippled by higher postal rates? Would you slap the crippled children in the face? Are you against the community chest? What about Father Flanagan's Boys Town and the Christmas seals?"

It is high time that Congress take a cold, hard look at the facts. Third-class mail was established as a special category in 1928—39 years ago. In the past 39 years, the rate for bulk mailings of nonprofit organizations have gone up exactly one-fourth cent, from 1 cent per piece to 1¼ cents per piece. In sharp contrast, over the same 39-year period, first-class rates have shot up from 2 cents to 5 cents. First class rates, in other words, have already increased 150 percent during a period when third-class nonprofit rates went up a meager 25 percent. And the administration bill proposes a further increase in first-class rates to 6 cents.

When you consider that nonprofit third-class postal rates have gone up only one-fourth cent in the last 39 years, contrast this with the prices of other items. In 1928, you could buy a pound loaf of bread for 9 cents; today, the cost is about 22 cents. In 1928, you could have a quart of milk delivered to your home for 14 cents; today, the price is doubled to about 28 cents.

HUGE VOLUME INCREASE IN NONPROFIT MAIL

As the postal rates for nonprofit organizations remained extremely low, more and more nonprofit organizations began to take advantage of the situation through larger mailings. These organizations now account for 17 percent of all bulk-rate third-class mail, as compared with only 8 percent in 1952. In the same period, the volume of nonprofit third class mail has shot up 250 percent—from slightly over 800 million pieces to nearly 2.9 billion pieces of bulk-rate nonprofit third-class mail. Now let us contrast that with other third-class

mail. During the same period since 1952, commercial bulk-rate third-class mail increased 58 percent, while the total mail volume was going up 52 percent over the same period.

In addition to the volume increase in third-class mail, many new organizations appear to be getting in under the "nonprofit" umbrella. The law defines a "qualified nonprofit organization" as "religious, educational, scientific, philanthropic, agricultural, labor, veterans or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual."

Many nonprofit organizations are now mailing neckties, pins, souvenirs, and other items for which they are seeking monetary contributions. A number of these items are unsolicited. The increased volume of such unsolicited items slows the delivery of mail, and also competes with private enterprise firms forced to pay higher postal rates.

NONPROFIT RATES SHOULD BE 50 PERCENT OF COMMERCIAL RATES

The Postal Policy Act of 1958, which is Public Law 85-426, states:

Postal rates and fees shall be adjusted from time to time as may be required to produce the amount of revenue approximately equal to the total cost of operating the postal establishment less the amount deemed to be attributable to the performance of public services.

Title II of the 1958 act also prescribed that the minimum charge per piece for third-class matter mailed in bulk by nonprofit organizations should be 50 percent of the charge for commercial mailings. As a result, when the commercial third-class bulk rate was raised from 2 to 2½ cents on July 1, 1960, the rate for other nonprofit organizations went up from 1 to 1½ cents.

But in 1962, when the rates for commercial mailings were raised in stages to their current bulk-rate level of 2⅞ cents, the bulk rates for third-class mailings remained frozen at 1½ cents. In addition, the 1962 legislation actually reduced the nonprofit bulk pound rates by about 40 percent. This was accomplished by reducing the pound rate on circulars mailed by nonprofit organizations from 16 cents to 9 cents, and on nonprofit books and catalogs from 10 cents a pound to 6 cents a pound.

I feel strongly that we ought to return to the policy established in the Postal Policy Act of 1958—that rates for nonprofit organizations should be 50 percent of the rates for commercial mailings. That is why my amendment will provide for a bulk rate of 2.25 cents a piece for nonprofit organizations and 4.5 cents a piece for commercial bulk mailings.

Several critics have pointed out that percentage-wise the rate increases for nonprofit organizations are steeper than for commercial organizations. But that is only because these rates are initially so low. As Postmaster General O'Brien very fairly pointed out in his testimony on May 9 before the House Postal Rates Subcommittee:

Even with the proposed increases such organizations would still maintain large and

valuable postal preferences. Currently, the public service cost of handling nonprofit mail exceeds \$200 million yearly, nearly 40 percent of all public service costs.

ADVISORY PANEL ON POSTAL RATES

In 1965, the Advisory Panel on Postal Rates, headed by former Representative Robert Ramspeck, of Georgia, made some very pertinent observations on postal rates for nonprofit organizations:

We question whether these subsidies should be intermingled with postal rates. If there is merit in these subsidies, they should be identified and included as direct payments from the budgets on the Federal agencies charged with overseeing public welfare activities. Since rate policy and subsidies are now commingled, the Postmaster General is in a position that compels him to propose rates based on extraordinary welfare considerations as well as on conventional value-of-service and cost criteria. . . . Funds for subsidies should be provided by direct appropriations, to the agency overseeing the welfare activity, rather than as a hidden cost in the postal budget.

Philosophically, the increasing subsidy to the non-profit organizations has disturbed thoughtful students. What it means is that the general taxpayer is forced to pay to make up the postal deficit caused by causes in which he may not believe. "Why should I be taxed to subsidize someone else's religion?" pertinently asked a writer from Pittsburgh. The question well might be raised also whether the Post Office Department, with the prime responsibility of delivering the mail on time—which it increasingly finds difficult to accomplish efficiently and speedily—should also be burdened with extending assistance to all sorts of causes.

Our colleague, the gentleman from Kentucky, Representative GENE SNYDER, a few months ago gave me a packet of junk mail he had received from one of his constituents, T. A. Hamilton, of 3709 Hillsboro Road, Louisville, Ky. Over a period of several weeks, Mr. Hamilton accumulated packages including three neckties, two throat lozenges, a plastic thermometer, a package of Christmas cards, two packets of name and address labels, a recipe book, a gasoline credit card, numerous catalogs and coupons, and a set of gummed stickers with prayers printed on them.

CHARITABLE CONTRIBUTIONS SHOULD BE FROM THE HEART

All of this material came to Mr. Hamilton unsolicited, and most of it came from nonprofit organizations at the low nonprofit third-class postal rates. Many sent articles of merchandise and asked for a contribution. Mr. Hamilton probably spoke for a great many people when he said:

I have nothing against charitable organizations. However, I believe that our giving to such organizations should come from the heart, and should not be placed under the pressures of modern-day merchandising.

Under the current rates, it is really fantastic what and how much a nonprofit organization can mail. Up to eight publications can be mailed by these organizations under the nonprofit second-class rates for as little as 1 penny. Furthermore, there is no extra charge for long hauls. For 1 penny, the post office

will take these eight publications mailed in New York and deliver them in Hawaii.

If a nonprofit organization wishes to make a fund solicitation through third-class mail, the post office will deliver four fund solicitation letters for only a nickel. These rates have been the same since 1962, although other postal rates were raised in that year.

NEW RATES ON NONPROFIT ADVERTISING

I am pleased to note that the administration bill contains new language to cover nonprofit publications that carry more than 10 percent advertising. There will be a moderately higher rate scaled upward in proportion to the volume of advertising carried by these publications. This is essentially the same postage principle which has long been applied by Congress for commercial publications. Yet under the new proposal, nonprofit organizations would continue to receive huge postage concessions.

As my colleagues are aware, the Internal Revenue Service is looking into the problem of tax exemptions and advertising in nonprofit publications. It is my understanding that Congress will be asked to curb the tax exemptions that permit churches and other charitable organizations to buy up firms which then operate in competition with taxpaying businesses. I believe this is a healthy development, and many prominent church officials have endorsed these moves.

The postal deficit which is caused by third-class mail sent by nonprofit organizations has been rising. The difference between fully allocated costs and the revenues received from nonprofit third-class mailings was \$58 million in fiscal year 1963. These costs rose almost 62 percent in 3 years for a total of \$94 million in fiscal year 1966, and are now estimated to be running at a rate of about \$100 million a year. The deficit caused by second-class nonprofit mailings has risen to about \$110 million per year. This means that the annual deficit of second- and third-class nonprofit mailings runs over \$200 million annually. Perhaps this could be labeled "How To Fail in Business While Really Trying."

In conclusion, I trust that the Congress will face up to this problem directly and raise the rates on both commercial and nonprofit mailings in the pending legislation.

Mr. CORBETT. Mr. Chairman, we have no further requests for time, but I will reserve whatever time still remains to our side.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas.

(Mr. POOL asked and was given permission to revise and extend his remarks.)

Mr. POOL. Mr. Chairman, I have 3 minutes to tell you what is wrong with this bill, and it will be pretty hard to do it in 3 minutes, because it is one of the worst bills ever to hit this Congress. I will limit my comments to two things.

One is, we are getting ready to get every Member of Congress defeated for reelection, because we are raising the first-class rate from 5 cents to 6 cents, and we are going to meddle with Aunt Minnie's mail, and we will get in trouble.

We will raise \$884 million—or whatever the figure is—for the Post Office Department, and we are not giving the service to the people. That is No. 1.

No. 2 is, we are getting ready to delegate the power of Congress to a commission, and then they can sit and hammer us over the head from now on. We will delegate power to raise the salaries of Congressmen and Justices and executive members of the Government to this little nine-member Commission, three of them appointed by the President and two of them appointed by the Chief Justice of the Supreme Court. When they get together, what will we have? They will have a majority of five on the Commission.

If I do not say anything else, the Members should remember that, and take this out of the bill or vote against it.

Mr. UDALL. Mr. Chairman, I yield to the gentleman from Missouri [Mr. HUNGATE] such time as he may consume.

(Mr. HUNGATE asked and was given permission to revise and extend his remarks.)

[Mr. HUNGATE addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. BRASCO. Mr. Chairman, I rise in support of H.R. 7977.

Without an increase in postal rates, the Post Office deficit this year will be more than \$1.2 billion. Even after losses for public services have been deducted from this deficit, the Post Office will spend about \$600 million more than postal revenues will bring in.

Under the Postal Policy Act, an imbalance of this magnitude between revenues and expenditures is clearly intolerable. Congress can, if it so chooses, sit back and permit an ever-rising postal deficit to be paid from general tax revenue.

Congress can take this course. But it would be directly contrary to the principles laid down in the Postal Policy Act. It would be unfair to the taxpayers of this Nation. And it would be extremely harmful to the Postal Service.

In addition to reducing the postal deficit, a rate adjustment is essential to improved postal service. A tremendous postal deficit cannot help but stand as a barrier to the appropriation of desperately needed funds for postal modernization.

The Post Office's physical plant is deteriorating badly.

The Post Office's mail processing techniques must be brought up-to-date through the purchase of modern, high-speed mechanized equipment.

And the Post Office's spending on research and engineering must be substantially increased.

As unpleasant as it may be, Congress must face up to the need for an adjustment in postal rates. We must do so not only because of the requirements we ourselves established in the Postal Policy Act, but because to do otherwise would be a disservice to the Nation.

Further, Mr. Chairman, I wholly support the wage increases for Federal employees as set forth in title II of H.R. 7977.

Mr. ADDABBO. Mr. Chairman, I view this bill, H.R. 7977, with mixed emotions. I am heartily in favor of the provisions to increase postal rates for second- and third-class mail users who have long been subsidized by the taxpayers. However, I do not believe that first-class mail rates should be increased as first-class mail has been and is paying over 100 percent of its cost. There are those who say the increase is necessary to pay the increased cost of Government salaries, but Government salaries are being increased on the basis of the rising cost of living. If, and when, greater service is given to the taxpayers by the Post Office Department, then, perhaps, a first-class rate increase should be contemplated.

Mr. Chairman, it was my pleasure and honor to serve on the Committee on Post Office and Civil Service in the 87th Congress, the Congress which enacted the pledge of comparability—a pledge, I regret to say, that has not been fulfilled.

The pay provisions in this bill have my support, however, they are far from adequate. Until the Federal Government pays its employees salaries in line with those in the private sector, we are going to continue to have difficulties in recruitment and turnover. Much training money is lost when an employee of the Government finds that he must leave the Federal service because he cannot support himself and his family on the salary received.

The time has come to face up to this problem realistically—we must provide better insurance, hospitalization, and leave programs. These are areas in which we can provide benefits for our employees.

The time has come to look at the salaries of our Federal employees on a regional basis. It is a well-known fact that the cost of living varies in different parts of the country, but there is no consideration given to this in the Postal Field Service and the Classified Service of the Federal Government.

The percentage raises provided in the bill before us, as far as a resident of New York City is concerned, will go to pay increased city and State taxes. The average employee will realize very little, if any, increase in his power to purchase for himself. The average Federal paycheck in my congressional district is needed to provide the necessities of life—the average Federal employee cannot afford the luxuries. This same salary would go much farther in the Midwest and the South. Therefore, when we talk about comparability, I believe we should take into consideration the area in which an employee lives and works.

I know there are those who believe that this would be difficult to administer, but it has worked for so-called wage-board employees, and it can be worked out for others.

Mr. Chairman, I sincerely hope that the committee and this Congress will in the near future treat our Government employees as first-class citizens and pay them first-class citizens' wages.

Mr. RYAN. Mr. Chairman, I should like to point out that first-class mail now pays for itself. In fact, it presently pays 3 percent above its cost. Under the com-

mittee's recommendation it will pay 23.3 percent more than its cost. Similarly, air-mail letters and cards, which now pay 5.3 percent above cost, under the committee bill will pay 31.7 percent more than their cost.

These increases in first-class and air-mail rates are estimated to yield \$575.3 million of the \$884 million revenue which H.R. 7977 will produce. This is 65 percent.

Mr. Chairman, I do not believe that first-class and airmail postage rates should be increased. These categories are already self-supporting and should not bear the burden of the subsidies granted to other classes. If the proposed increase is approved, first-class mail will have increased 50 percent within 4 years.

Mr. UDALL. Mr. Chairman, we have no further requests for time on this side.

Mr. CORBETT. Mr. Chairman, I would like to take 1 additional minute to ask the majority if they can give us any information as to when the Committee will rise tonight.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the chairman of the full committee advises me, on consultation we had with the Speaker and the minority leader a few minutes ago, that there are several things to consider. No. 1, many Members want to be away on Thursday for Columbus Day festivities, which means that to accommodate them we have to finish by tomorrow night. The gentleman knows there are a great many amendments, so if we are going to meet this deadline, we have to meet tonight. We had contemplated moving that the Committee rise at approximately 7:30, and seeing how many amendments we can handle between now and then.

Mr. CORBETT. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the Clerk will read by titles the committee amendment in the nature of a substitute.

The Clerk read as follows:

H.R. 7977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postal Revenue and Federal Salary Act of 1967".

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of

this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

(b) Subparagraphs (A) and (B) of section 4169(a) (1) of title 39, United States Code, are amended to read as follows:

"(A) the letter or sound-recorded communication is mailed by the member at an Armed Forces post office established under section 705(d) of this title which is located at a place outside the forty-eight contiguous States of the United States; or

"(B) the member is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred while on active duty; or"

(c) Subparagraph (D) of paragraph (2) of section 4169(a) of title 39, United States Code, is amended to read as follows:

"(D) the letter or sound-recorded communication is mailed by the member—

"(i) at an Armed Forces post office established under section 705(d) of this title which is located at a place outside the forty-eight contiguous States of the United States; or

"(ii) while hospitalized in a facility under

the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred while in the services with, or in, a unit under operational control of a command of the Armed Forces of the United States; and"

(d) Section 4251(a) of title 39, United States Code, is amended by striking out "and (4)" and inserting in lieu thereof "(4) bills and statements of account, and (5)".

(e) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(f) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than seven ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08.

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80."

(2) by deleting paragraph (2); and

(3) by striking out, in paragraph (5), subparagraph (A), (B), and (C) and inserting in lieu thereof the following:

"(A) (1) first-class letter mail (including postal cards and post cards),

"(ii) sound-recorded communications having the character of personal correspondence,

"(iii) parcels of any class of mail not exceeding five pounds in weight and sixty inches in length and girth combined, and

"(iv) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public,

which are mailed at or addressed to any such Armed Forces post office; and

"(B) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

(c) Section 4303(f) of title 39, United States Code, is amended by striking out "the Virgin Islands or the Canal Zone" wherever appearing therein and inserting in lieu thereof "or the Virgin Islands".

(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word "eight" and inserting in lieu thereof the figure "7".

SECOND-CLASS MAIL PREFERRED RATES

SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

	"[In cents]"		
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece..	.2	.2	.2."

(2) by adding at the end thereof the following:

"(d) The rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

	"[In cents]"					
	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

"(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans, fraternal, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.";

(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication."

and inserting in lieu thereof—

"4358. Rates of postage; preferred".

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in

accordance with subsection (a) are as follows:

"[In cents]"			
	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto, except such advertisements as are subject to the provisions of section 4656 of this title.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or first-class mail.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation.

"Type of mailing"	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	Cents 6 2	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	27½	3.8	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	1.9	Do.

"(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable, except that the minimum charge is 1.3 cents per piece on such matter mailed on and after January 7, 1968, by qualified nonprofit organizations (1) which are organized for charitable, religious, or general health purposes, and are engaged predominantly in the accomplishment of such purposes, or (2) when such matter consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes."

"(e) As used in this section the term 'zones' means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title.";

(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4359. Postage rates beyond county of publication."

and inserting in lieu thereof—

"4359. Rates of postage; regular".

(c) Section 4369(a) (4) of title 39, United States Code, is amended by striking out "Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General".

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]"			
	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8".

THIRD-CLASS MAIL

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	Cents 6 2	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	27½	3.8	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	1.9	Do.

(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- fourth-

class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, consisting wholly of reading matter or reading matter with incidental blank spaces for notations containing no advertising matter other than incidental announcement of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to commercial theaters;";

(2) by striking out in subsection (b) (1) "4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof" and inserting in lieu thereof "8 cents for the first two pounds or fraction thereof and 3 cents for each additional pound or fraction thereof";

(3) by inserting in subsection (c) "or narrower width" immediately following "16-millimeter"; and

(4) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

(b) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates".

(c) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films."

and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates."

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,".

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

SEPARATION BY MAILER OF SECOND-CLASS MAIL

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail

"Publishers and news agents shall mail second-class matter in the manner directed by the Postmaster General."

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers."

ADDITIONAL ENTRY POINTS

SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry."

MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment;

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a) (1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words 'Free Matter for the Blind or Handicapped', or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

(c) Section 4451(d) of title 39, United States Code, is repealed.

ENCLOSURES MAILED WITH SECOND-CLASS PUBLICATIONS

SEC. 115. Chapter 69 of title 39, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 4556. Enclosure mailed with second-class publications

"Bills or receipts mailed with publications entered as second-class mail, either loose or bound in the publications, and advertising supplements mailed with such publications, shall be charged postage at first-, third-, or fourth-class rates, as appropriate, had such matter been mailed other than with the publications."; and

(2) by adding to the table of contents the following:

"4656. Enclosures mailed with second-class publications."

MAILING PRIVILEGE OF MEMBERS OF ARMED FORCES

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d) (5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

"Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers."

(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

"4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices."

SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both,

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: 'This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer.'; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATES

SEC. 119. (a) The first section, sections 101, 102, 105, 107, 108, 109, 110, 114, 116, 117, 118, and this section of this title shall become effective as of the beginning of the first Sunday which occurs after the thirtieth day of following the date of enactment of this Act.

(b) Sections 103, 104, 106, 111, 112, 113, and 115 of this title shall become effective January 7, 1968.

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that title I of the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

AMENDMENT OFFERED BY MR. POOL

Mr. POOL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POOL: On page 13, lines 3 and 4, strike out "Sections 4252 and 4253 of title 39, United States Code, are amended" and insert in lieu thereof "Section 4252 of title 39, United States Code, is amended".

On page 13, line 8, insert double quotation marks after the period.

On page 13, strike out line 9 and all that follows down through the second period in line 4 on page 14.

On page 15, strike out lines 9 to 11, inclusive.

On page 15, line 12, strike out "(f)" and insert in lieu thereof "(e)".

Mr. POOL. Mr. Chairman, this amendment is the one that reduces first-class postage from the proposed 6 cents back to 5 cents, as it is now. On first-class postage under the present law, the postage receive is 103 percent of the cost of handling the first-class mail. This bill will make the rate 123 percent of cost,

if we pass the bill as written. My amendment cuts the rate back to the 103-percent figure under present law. I do not think we should sit here and penalize first-class users when they are paying more than cost.

I believe certainly this should be reduced. I hope the House will see fit to adopt the amendment.

This is the best way in the world to get these Post Office boys in line and to get them to quit telling us we cannot change a comma, we cannot do this or do that. The Post Office Department did that all through the hearings in the committee. This will really get them straightened out.

If you want to send it back to the committee to write another bill, that is all right, but put this on in the Committee of the Whole, for goodness sake, even if we do not have a record vote.

I hope the Members will see fit to do this for Aunt Minnie.

Mr. WAGGONER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 304]

Baring	Foley	Pickle
Bates	Fountain	Rarick
Blatnik	Fulton, Tenn.	Reinecke
Bray	Green, Oreg.	Resnick
Broomfield	Hanna	St. Onge
Celler	Hansen, Idaho	Sikes
Denney	Hansen, Wash.	Stratton
Dent	Herlong	Sullivan
Devine	Jonas	Tuck
Diggs	Jones, Mo.	Utt
Downing	Kluczynski	White
Edwards, Calif.	Leggett	Whitten
Everett	Long, Md.	Williams, Miss.
Fisher	Moorhead	Willis
Flood	Myers	Wylie

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 7977, and finding itself without a quorum, he had directed the roll to be called, when 384 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SCOTT. Mr. Chairman, I rise in support of the amendment. I am in favor of continuing the existing rate of postage on first-class mail. I hope the Members of the Committee will look at page 20 of the committee report to see the type of mail causing the present deficit. First-class mail is presently paying more than the cost of delivery. It is not causing this deficit, while other classes of mail are paying substantially less than their delivery costs. It is unreasonable to saddle the public with a postal rate increase on first-class letter mail, which will increase the cost coverage to 123 percent, while other classes of mail remain substantially below what it costs the Department to deliver them.

Second-class mail now has a total cost coverage of only 23.3 percent, and even

under the proposed legislation, when the rates are fully effective, will be paying only 28.4 percent of its allocated delivery costs.

The same situation exists in the third-class mail category. This class is presently paying 62.9 percent of the cost of handling, and under the bill before us today this will be increased to 82.4 percent of its delivery costs.

Mr. Chairman, it seems unreasonable to increase first-class letter rates until other classes of mail are increased an amount sufficient to cover the costs of delivery.

The bulk of my mail, Mr. Chairman, has been in favor of increasing third-class mail but opposed to increasing the cost of first-class mail. It seems unreasonable to make the users of first-class mail pay more than the cost thereof, and at the same time subsidize all other classes of mail.

Mr. Chairman, I concur with the gentleman from Texas regarding this amendment, which will continue the existing 5-cent rate on first-class letter mail.

Mr. POOL. Mr. Chairman, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Texas.

Mr. POOL. Mr. Chairman, I thank the gentleman from Virginia for his support and his statement. As many Members were not here when I introduced my amendment and made by 5-minute talk on the amendment, I would bring to the attention of Members the fact that on page 13 of the report there is shown that first-class mail brings into the Government over \$2 billion, and it has been paying 103 percent of cost under the present law. Under the bill before us now, we will be raising the rate to 123 percent of cost. I just do not think it is right to stick first-class users just because we can.

Mr. SCOTT. Mr. Chairman, I thank the gentleman for his remarks.

SUBSTITUTE AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. GROSS to amendment offered by Mr. POOL: On page 13, lines 3 and 4, strike out "Sections 4252 and 4253 of title 39, United States Code, are amended" and insert in lieu thereof "Section 4252 of title 39, United States Code, is amended".

On page 13, line 8, insert double quotation marks after the period.

On page 13, strike out line 9 and all that follows down through the second period in line 4 on page 14.

On page 15, strike out lines 9 to 11, inclusive.

On page 15, line 12, strike out "(f)" and insert in lieu thereof "(e)".

On page 15, strike out line 16 and all that follows down through the colon in line 14 on page 16 and insert in lieu thereof the following:

"SEC. 102. (a) Subsection (d) of section 4303 of title 39, United States Code, is amended by striking out, in paragraph (5), subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:"

On page 17, line 19, strike out, "(c)" and insert in lieu thereof "(b)".

On page 17, strike out line 23 and all that follows down through the period in line 2 on page 18.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I support the amendment offered by the gentleman from Texas [Mr. Pool], which would strike the increase in the first-class letter rate, but in my opinion, the gentleman from Texas [Mr. Pool] does not go far enough.

The amendment I have offered will strike from the committee amendment not only the rate increases on first-class mail—letters and post cards—but also the increases on airmail letters and post cards.

As I said in my remarks earlier this afternoon, an increase in postage rates on first-class mail and airmail at this time is nothing more than the imposition of a stamp tax on the American people.

These are the only two classes of mail that are today paying their own way and actually producing profits to the post office. The rate increases proposed by the committee in these two classes will tax the American people to the tune of \$568.1 million per year and produce 64 percent of the total revenue expected from all the rate increases on all classes of mail contained in the bill. If these rate increases are permitted to take effect, first-class mail will be paying 123.3 percent of its cost and airmail will be paying 138.9 percent of its cost—the highest ever since the years of World War II when the entire Post Office Department was actually showing a profit in one of the few times in history.

If we permit these rate increases to take effect, we will have imposed a 50 percent first-class stamp tax increase on the American people in a 4-year period.

I submit that the public, with no organized lobby to fight postal rate increases, is entirely defenseless, in that the Post Office has a complete monopoly in first-class mail. Newspapers, magazines, packages, catalogs, circulars—all matter in the other classes of mail—can all be delivered by other means outside of the postal service. But the letters written by Mr. and Mrs. John Q. Public can only be delivered through the U.S. postal system, and I might point out that there are severe penalties involved for the carriage of letters outside the mails.

It is easy to imagine the philosophy that dictates how the so-called postal deficit should be eliminated in this bill.

It goes something like this: "We've got a monopoly on first-class mail, people have got to use it, this is where the money is, there'll only be a few complaints—no organized resistance, no powerful lobbies trying to keep the cost of mailing a letter down—so let's sock it to them."

Mr. Chairman, there is no more compelling reason why we should here be asked to impose another stamp tax on the American people without first trying to be assured of some economies, than there is to impose a general tax increase without expecting some reductions in spending.

I submit that there are as many, if not more, areas in the sprawling postal system where substantial economies can

be made without affecting the service, as there are in other Government departments. We should insist that these economies be effected before we saddle the American people with another stamp tax. If it was right to follow this procedure last week with the President's surtax, it is certainly just as right to follow it this week with the stamp tax.

Let us be consistent and adopt my amendment, and show the American people that we really mean business—that they will not be assessed 20 percent more for using the postal service until or unless there is either a 20-percent reduction in unnecessary expenses or a 20-percent improvement in the mail service.

[Mr. CEDERBERG addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. OLSEN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. OLSEN asked and was given permission to revise and extend his remarks.)

Mr. OLSEN. Mr. Chairman, the gentleman from Michigan [Mr. CEDERBERG] is right. We are making a choice as to whether or not we are going to pay for the operations of the Post Office Department by the use of taxes or by increased rates. That is your choice.

Mr. Chairman, is it my opinion that everyone on this floor today knows that the members of the Committee on Post Office and Civil Service of the House of Representatives, under the able leadership of the gentleman from New York [Mr. DULSKIL], has worked really long and hard on this subject matter. We held hearings for many, many weeks. We had a markup on postal rate part of the bill in the full committee for the period of 15 days.

Now, Mr. Chairman, I challenge anyone who says that this amendment is not completely irresponsible. And, with all due respect to my dear friends who are sponsoring it, the point is that if this amendment were adopted, we would strike from the bill \$568 million.

Now, the bill only carries the sum of \$884 million.

I have reference to the statement by the gentleman from Indiana to the effect that on this subject we ought to relate the income of the Post Office Department to the expense of its operation. We can do that through the enactment of his bill. We can do this if everyone will bear in mind the fact that 80 percent of the cost of the Post Office Department involves the cost of labor—80 percent of the cost of the Post Office Department is labor. It is my opinion that the people in the Post Office Department are very, very much justified in seeking a pay increase.

Mr. Chairman, this rate increase, of course, will do better than just take care of their pay increase. However, there is another item which I would like for my friends to bear in mind and to bear with me upon its consideration, and that is that we are going to further study this business of "cost ascertainment." I think the cost ascertainment system of the Post Office Department is mislabeled. There really is not an ascertainment.

They allocate the cost later during the course of the debate I am going to demonstrate the fact that they allocate the cost in an unrealistic manner and that we should really take up a study of the matter in greater depth and determine and demonstrate really what the ascertainment cost of moving pieces of mail represents.

Now, please give me your attention for just one moment on this one point. On a single piece of first-class mail, if it is an ounce or less, it costs 5.3 cents to move it. If it is a postal card, it costs 5.3 cents to move it. We are losing money on moving everything of an ounce or less. We lose money on air mail if it is an ounce or less. We lose money on all of these various categories which have been mentioned—these various classes—first class and air mail rates, which are really highly preferred mail. We should charge them more than the cost involved because of the highly preferential treatment that they receive.

Now, on the other hand, Mr. Chairman, we have a cost-ascertainment system with reference to the cost of moving second- and third-class mail. And, I pledge everyone here—and I know my colleague, the gentleman from Pennsylvania [Mr. NIX], and I know my colleague, the gentleman from Pennsylvania [Mr. CORBETT], all agree that we are going to undertake a really exhaustive investigation of the cost of the movement of these classes of mail, including the sorting and distribution of mail in an effort directed toward avoiding a lot of the costs which have been heretofore involved. We are going to review the categories of second- and third-class mail again. But, certainly, with reference to the first-class mail and air mail we must sustain the committee and I ask that this Committee of the Whole House on the State of the Union to vote down the amendment which has been offered.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to help the gentleman from Montana, but he would not yield to me. I am for the Pool amendment, and I would like to be for the Gross amendment, and that is hard to be for both, but I believe I have a solution.

If we could consult with the gentleman from Ohio [Mr. Bow] and the other economy-minded people who thought it was so easy to cut \$5 billion out of appropriations and expenditures, and just get them to cut another half-billion out of some place, then we will not have to raise the postal rates, and we can give the increase to the postal employees.

Now, does that not make sense? Is that not a fair proposition?

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa [Mr. Gross] to the amendment offered by the gentleman from Texas [Mr. Pool].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Pool].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

AMENDMENT OFFERED BY MR.
CUNNINGHAM

Mr. CUNNINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CUNNINGHAM: On page 28, line 5, insert "(a)" immediately before the word "Upon";

In line 9, strike out the quotation mark and the period at the end of the line;

Insert a new subsection (b) immediately following line 9, to read as follows:

"(b) Upon payment of a special handling fee, publications admitted as second-class mail, published once each week or more frequently, and featuring principally news of interest to the general public, shall be given, upon request by the publisher or news agent, expeditious distribution, dispatch, transit handling, and delivery, commonly referred to as red tag or newspaper treatment. The charge for such special handling is 25 per centum of the postage otherwise applicable."

Mr. CUNNINGHAM. Mr. Chairman, the amendment which I offer, the so-called red-tag treatment amendment, does nothing more than update postal law relating to second-class news publications so that those who use this class of mail will be required to pay for special handling just as the users of third- and fourth-class mail.

Under present law, section 6008, title 39, United States Code, upon payment of a special handling fee, fourth-class mail is entitled to the most expeditious handling and transportation practicable. In the bill under consideration, we would, in section 110 of title 1, extend this special handling service to the users of third-class mail.

I think, therefore, it is consistent to provide that the users of second-class mail who request and receive special handling of their product, should be obliged to pay for this extra and preferential service. And I emphasize, Mr. Chairman, that under my amendment, this "red tag" treatment would be given only upon the request of the publisher or news agent of the publication and that the charge for such special handling would be 25 percent of the postage otherwise applicable.

Mr. Chairman, in order to better understand the subject with which we are dealing, I include at this point in my remarks a memorandum which details the history of the so-called red-tag treatment which is accorded news publications free of charge at the present time.

In the early days of our Nation, perhaps there was sufficient justification for special and expeditious handling of newspapers and periodicals so that information of general interest could be disseminated swiftly.

However, times have changed, methods of broadcasting news and information have changed, publishing methods have changed, and special handling of second-class publications has proliferated to the point where the taxpayer is shouldering far too great a burden in newspaper subsidies.

The actual dollar value of these subsidies is spelled out in the committee report on this legislation, which I commend to my colleagues' attention. On page 30 of the report we are informed

that for 1966 the deficiency attributable to second-class regular rate publications was \$236 million. In other terms, the users of this category of mail paid \$97.7 million in postage for \$334.1 million worth of service.

To quote the committee report on this revenue gap:

It should be noted that a substantial part of this mail (2nd class regular) receives expedited handling. All newspapers—representing 38 percent of regular rate second-class pieces—receive expedited handling. In addition, news magazines and other time-value publications received the equivalent of "newspaper treatment," without paying any additional charge.

Mr. Chairman, let me cite the rate disparity in another way.

Under this legislation, if passed, first-class mail will be at 123.3 percent of cost coverage; air parcel post will be at 162.4 percent of cost coverage; air mail will be at 138.9 percent of cost coverage; third-class mail will be at 82.4 percent of cost coverage; fourth-class library material—which is more than deserving of a preferred rate—will be at 40.7 percent of cost coverage; and second-class mail will be elevated to a piddling 29 percent of cost coverage. This percentage, incidentally, would be the highest percentage of cost coverage for second-class mail in 41 years. How long, Mr. Chairman, can the general taxpaying public be expected to continue to foot the bill for handling second-class mail?

I submit my amendment in a most modest step toward reducing the revenue gap of second-class mail.

NEWSPAPER HANDLING

Order No. 99, dated January 30, 1924, issued by Postmaster General Harry S. New provided for the expeditious handling of newspapers. Newspapers were described as:

Publications which are commonly and popularly understood to be newspapers of which the leading and major feature is the dissemination of timely news of interest to the general public, whether published daily or weekly.

The definition did not include "trade papers, periodicals, papers devoted to certain classes, orders, or directed to specific ends."

Publications which could obviously be called newspapers would be circulated principally in the local areas where they were published. Therefore, extensive transportation of large numbers of copies would not be involved.

However, by 1950 a great variety of nationally circulated publications having borderline characteristics of newspapers were receiving newspaper handling. As a result, the instructions issued in connection with readjustment of service order of Postmaster General Jesse M. Donaldson dated April 17, 1950, provided for the discontinuance of newspaper treatment for publications of the second-class other than regular daily and weekly newspapers "of local origin having the characteristics ordinarily recognized as those of a publication devoted to the dissemination of current news of great interest."

The Magazine Publishers' Association, in support of Time, Life, and other news magazines raised such strenuous objec-

tions to these instructions that they were modified by means of a letter of Deputy Postmaster General Vincent C. Burke, dated May 18, 1950, so as to provide for the continuance of newspaper handling for publications, other than local daily and weekly newspapers, which had theretofore received such handling. In return, the publishers were to separate into properly labeled "direct" sacks or bundles, according to quantity, all copies for each delivery zone or delivery station or area in cities having more than one delivery unit.

The newspaper-handling question has been given careful study from time to time, but no one has come up with a satisfactory solution. In 1958, the Post Office Committees of Congress considered a proposal to establish a charge for this special service. This proposal was abandoned as impracticable partly, at least, because of the thousands of country newspapers which would object to such a charge.

The mandatory presorting of all second-class publications by ZIP code which is now in effect could lead to all publishers of second-class publications expecting to receive newspaper handling, particularly those who have been told through the years that the refined presorting performed by such publications as Time and Life was one of the justifications for newspaper handling.

The current definition of a newspaper is a restatement of the definition in Order No. 99 of Postmaster General New, and is contained in section 126.4, Postal Manual. It reads:

Newspapers must be published once each week or more frequently and feature principally news of interest to the general public to be given expeditious distribution, dispatch, transit handling, and delivery, usually referred to as newspaper treatment.

Mr. NIX. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the proposed amendment, which was rejected by the House Committee on Post Office and Civil Service and which is opposed by the Post Office Department, would impose a 25-percent surcharge on what is commonly referred to as "red tag" treatment, or newspaper treatment.

The amendment, if it became law, would affect hundreds of daily newspapers, thousands of weekly newspapers, and several news magazines and a number of trade journals.

Actually, zip code has made red-tag treatment virtually obsolete.

Red tag—and the gentleman's amendment refers to that—originally meant handling in transit, on railway mail cars or in trucks. Now that Post Office rules require presorting of most second-class mail by Zip code numbers, such en route sorting is no longer necessary. Few, if any publishers, would pay 25-percent extra for service they do not need. Thus, the claim of millions of added revenue is specious.

The National Newspaper Association, a group including 6,700 newspapers in every State, most of them weeklies, wrote on August 25 to members of the postal committee about the "red tag" amendment then pending. The NNA letter explained:

Our newspapers don't enter the Department's transportation system. They are already sorted, and they go directly out on the routes, at most traveling to and from a Sectional Center already sacked for the routes. In other words, the Post Office does nothing special to our newspapers. The only thing we ask is that they go out on the next available delivery. Letting them lay in the Post Office would save no money for the Post Office Department, and it makes subscribers furious.

It should be understood, Mr. Chairman, that red-tag treatment is not a one-way street. The Post Office Department imposes a series of requirements that publishers must meet to qualify. These steps, all taken at publisher expense, reduce handling costs of the Post Office Department. The Postal Manual spells out these requirements in section 126.4.

The proposed amendment to impose a surcharge on newspapers and news magazines receiving red-tag treatment is purely punitive legislation, without justification on a cost basis or a potential revenue basis.

The argument that this amendment would bring revenue to the Post Office Department is purely a specious argument and in my opinion has no merit.

Mr. Chairman, I hope the amendment is defeated.

Mr. HENDERSON. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I want to join my colleague in opposition to the amendment and to emphasize particularly the point that he last made.

This amendment might be appealing to one who thinks or has the understanding that it would bring in substantial revenue to the Post Office Department. But you have to understand what red-tag treatment is to understand that the point that the gentleman from Pennsylvania made is absolutely correct. This is the system that grew up in post offices all over this country to provide that the papers and magazines would get early treatment behind first class, which by law must move at high priority, because newspapers and magazines which, by the very nature of the rates that we charge them, perform a great public service. The demand of the American public is that they get their weekly newspaper that may be published on Thursday evening in the first mail on Friday. In order to accommodate that demand, post offices all over the country, without direction from the Postmaster General or from Washington, started putting red tags on the newspaper bundles or the bags and giving them what has come to be known as the red-tag treatment.

Mr. Chairman, I tell you that the American public today is still demanding red-tag treatment. It is not the publisher who is anxious to get that newspaper as quickly as it can be delivered to him after it is delivered to the post office. Thus the American public wants the red-tag treatment, but the publisher is not willing to pay for it.

So the point my colleague from Philadelphia last made, that this amendment will not bring in the revenue which you might think by computing the surcharge on the publications, but will rather leave

the choice to the postmaster either not to give the service that he has been giving or to go ahead and do it in violation of some amendment that we might adopt here, is valid. The American public will expect their newspapers to be delivered to them as quickly as they could be after they receive their first-class mail.

For instance, when the Mount Olive, N.C., Tribune delivers its copies to the Mount Olive Post Office, they are already sorted and bundled to the various routes, post offices, and sectional centers to which they are addressed. The local postal employees dispatch these bundles and bags to their destination on the next mail transportation. What else would they do? There would be no point in holding this mail until later, taking up space in the post office.

For the Mount Olive Tribune, then, and virtually all the newspapers in the Nation, this so-called expedited or red-tag handling is simply moving the mails promptly and efficiently, in due course.

It is true that a few publications having nationwide distribution and entering at major post offices request and receive handling more demanding of postal facilities than that of the Mount Olive Tribune. But in terms of the total number of news publications entering the mails, these latter publications are in a small minority.

Further, the advent of Zip code and sectional center handling make this expedited handling less and less important. In the days of railway post offices and highway post offices, publications were actually sorted while in transit. The so-called red-tag treatment really meant something. But now these same mailers are required to sort their own copies, before submitting them to the post office. At the same time, in-transit handling is being phased out of postal operations. Hence, "newspaper treatment" has progressively less meaning.

For these reasons newspapers tell me that they would not request red tag handling—that in fact they do not ask for it now, and do not consider the term to have any real substance. They surely question whether it has sufficient meaning to be the subject of a special rate or surcharge.

It would be something akin to a surcharge on airline tickets for safe handling, or on telephone rates for courteous handling. The airlines offer students and servicemen special rates, for good and sufficient reasons. Would it make sense to add on a 25-percent surcharge for safe handling? Safe handling is presumed. It is a *sine qua non* of air transportation. But, if there were such a surcharge and a passenger declined to pay for this special service, and he were injured or killed, the airline could, and no doubt would, beg off on the grounds that he could not expect safe handling if he did not pay the charge.

This is precisely the concern of newspapers when they hear of the red tag surcharge. Buying it would not mean anything to them. But their not buying would surely become an excuse on the part of the post office for any slow delivery.

This is no basis on which to ground a postal charge. As a revenue source it

would mean very little. If all second class publications eligible were to request and pay for the handling, it would bring in an estimated \$10 million. But this makes a most unrealistic assumption. In fact, very few would request it, and the income would, I think, be negligible.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Arizona.

Mr. UDALL. I support the gentleman in opposition to this amendment. The business of postal ratemaking is a complicated business. I think we could make a pretty good case that we ought to come to the floor with a closed rule, as the Ways and Means Committee does, but we have not. We are here with an open rule. If we start tinkering with a part of this rate structure, we shall have to go back and adjust another part of the rate structure. I hope the Committee will support the Committee on Post Office and Civil Service in the sound decision that was made in this regard and vote down the pending amendment.

(Mr. HENDERSON asked and was given permission to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words. Regardless of the disposition of this amendment, there is one thing I believe all Members ought to keep in mind. Unlike the attitude which the gentleman from Arizona takes, I point out that there is nothing sacred about this bill. In fact, the chairman of the subcommittee, the gentleman from Montana, brought a bill into the full committee, and then they marched down the hill on practically every item in that bill. If they could do that in the committee, completely repudiate their own work, I see no reason why we cannot improve this bill on the floor.

The gentleman from Arizona naturally has to hold the position of the committee. If he had only been as effective in committee in keeping the rate and the pay bills separate, I would be supporting him at this point.

But there is not any section of this bill that I think is too sacred to be subject to an honest amendment. We could dabble—if we want to use that word—with any part of this rate structure, and if it is in a constructive fashion it should not automatically be rejected on the grounds of protecting this dubious package.

Mr. McCLURE. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Idaho.

Mr. McCLURE. Mr. Chairman, I would like to remind the gentleman from Arizona, in regard to the remarks he just made about each change affecting the bill, to the effect that we should go back if we make any changes and consider earlier changes in the bill, that this was exactly what several of us tried to get done within the committee when we were considering it, and it was exactly what the majority in the committee refused to allow us to do.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I think we spent 18 markup sessions on this bill. I have never had a bill of this size where this much time was spent on it. I would like to have spent three months to go back and perfect it. I regret that time ran out on us. The truth is, there would not be a rate or a pay bill on this floor today if some action was not taken to get this on the floor.

I do not say the bill is sacred. I say that Members who are not familiar with the content, and who are not familiar with the effect one part of this has on another part, ought to be pretty careful about taking amendments simply because some amendment is offered on the assumption that no damage will be done to the bill because of them.

Mr. DERWINSKI. Mr. Chairman, the amendments offered as constructive amendments ought not to be rejected per se, simply because they are amendments, in order to preserve the package.

Mr. UDALL. Mr. Chairman, I supported the open rule so we could offer amendments.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Chairman, I would say the subcommittee did approve this, and it was the full committee that by a very narrow margin defeated this. The subcommittee spent 8 weeks on this. When we went to the full committee, where they had not heard the testimony, they defeated this. I think we are consistent in trying to get it back in.

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CHARLES H. WILSON. Mr. Chairman, I was going to make the same point the gentleman from Nebraska [Mr. CUNNINGHAM] did, that was in the bill in the subcommittee and was knocked out in the full committee. This is a good amendment, I believe, and I will support it.

Mr. DERWINSKI. Mr. Chairman, I will repeat, I am on my feet to support the honest principle of offering amendments, and I hope we will have a chance to offer them and have them considered, and not just have them rejected per se.

Mr. FARBSTAIN. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I want to hit at the admonition of the gentleman from Arizona that we, in offering one amendment or amending one phase of the bill, will adversely affect another phase of it. I would like to inquire, before I offer an amendment, why airmail rates will be increased in view of the fact that airplanes are used to carry first-class mail, and trains are no longer being used or are being gradually phased out. If airmail is being carried the same way as first-class mail is being carried, why should airmail rates be increased?

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. FARBSTAIN. I yield to the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, airmail

is being increased because it is top-priority preferred mail. But, as the gentleman has related, we are moving first-class mail more and more by air. We are also moving it more and more by truck. Of course, this is because we have experienced a period in American history where 20 years ago there were 10,000 passenger trains every day running in America, but today there are not even 900 passenger trains every day running in America.

We are having to make a transition. As a result of that transition, first-class mail is going by air as well as by trucks. We look forward to the day, within about 2 years, when all mail, first-class and airmail, will go by the fastest method available, and we will eliminate the distinction and will have only one first-class preferred mail, and we will not have airmail any more. We will have a new rate coming about 1969, and that new rate will take care of both first-class and airmail. It will all move the same way, but that has to be another bill in 1969.

Mr. FARBSTAIN. Mr. Chairman, is there any reason then why, in view of the gentleman's explanation, there should be an increase in airmail rates until 1969?

Mr. OLSEN. There has to be now.

Mr. FARBSTAIN. Until 1969?

Mr. OLSEN. There has to be, perhaps even until 1970.

Please bear with me. We do not have the option in the Post Office Department of going out to get bids as to how to move the mail with the airlines. When we move the mail with the airlines we have to go to the Civil Aeronautics Board. We have to go there to get our rates set. We do not know what we can get as to rates, or that we can get the rate we want.

In the opinion of some of us, airmail ought to be moving a lot cheaper, but that is not our election. We cannot do that.

I hope that between now and 1969 the Post Office Department will have the power to go out and get competitive bids from the airlines. Then we will move the mail cheaper than we are moving it today. That is the reason why we have to ask for 10 cents. We want to do it cheaper. When there is authority to get bids, then we will move it cheaper. I predict that we will.

Mr. GROSS. Mr. Chairman, will the gentleman from New York yield?

Mr. FARBSTAIN. I yield to the gentleman from Iowa.

Mr. GROSS. I believe a better answer with respect to the increase in the airmail rate is that it is a good, easy place to get the money. There is not any great big lobby down here trying to protect the individual user of airmail and first-class mail, the common garden variety citizen, who is getting socked and socked good. That is the real answer.

It will be quite a day in the history of the country when we will put all of this country on the same level of mail delivery, when we are going to deliver it by plane to the crossroads town in Montana just as we deliver it to the capital city of Montana. That is going to be a great day in the history of this country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. CUNNINGHAM].

The amendment was rejected.

Mr. HARSHA. Mr. Chairman, I move to strike the requisite number of words.

(Mr. HARSHA asked and was given permission to revise and extend his remarks.)

Mr. HARSHA. Mr. Chairman, I take this time to ask the distinguished gentleman from Montana, the chairman of the subcommittee, if he will provide some legislative history in reference to the effects of the language on page 31 entitled "Enclosures Mailed With Second-Class Publications."

I have received an inquiry from one of the fine newspapers in my district, which happens to be the oldest newspaper in the United States west of the Alleghenies, the Chillicothe Gazette, editor of which is Robert E. Schaefer.

They raise the question that this provision jeopardizes the basic concept of second-class mail for newspapers.

The publisher says:

Advertising has for a long time been an accepted component of second-class publications. The advertising supplement provision of the rate bill would change this concept.

Would the gentleman elaborate on that?

Mr. OLSEN. There has been for a long time an established regulation with the Post Office Department for them actually to refuse the mailing of advertising supplements that are unrelated to the newspaper. However, the Post Office Department has not been enforcing those regulations.

On the basis of those long-time standards, this particular provision is in the committee bill. It is not that there would be any prohibition against the moving of supplements in their second-class matter, but that they would have to pay a third-class rate, a minimum of 3.8 cents. They would have to pay that instead of the second-class rate on that insert.

Getting back to the particular inquiry, what is an insert? An insert is something that is unrelated to the newspaper, in that it is not consecutively numbered by pages with the newspaper.

Mr. HARSHA. I understand that.

Mr. OLSEN. Or that it is not printed in the plant of the newspaper.

Mr. HARSHA. This insert could also have certain news value in addition, could it not?

Mr. OLSEN. You have a point. If it has news value or editorial value as part and parcel of the newspaper, it is not a supplement.

Mr. HARSHA. Let us assume that it has editorial and news value but it is not part and parcel of the newspaper in that it is not consecutively numbered, as you point out, but it still has news and editorial value.

Mr. OLSEN. It would not be within this prohibition or not be within the new rate structure. It would travel with the regular cent.

Mr. HARSHA. He also raises the question that there appear to be no guidelines for what would be an advertising supplement. Secondly, he says who would

determine this issue as to what is or is not a proper supplement.

Mr. OLSEN. The Post Office Department has determined it in the past. While they have not enforced it, they have determined it. Now, if you will look at pages 46 and 47 of the report, when we get to the bottom of page 46 it says:

During the course of the hearings, the committee received many exhibits of advertising supplements which were mailed with publications. In the opinion of the committee, it is doubtful whether some of these advertising supplements qualified under the regulations. Some did not have the imprint, "Supplement to", others appeared to be independent "publications," circulars, catalogs, or not germane to the issue.

Mr. HARSHA. I thank the gentleman.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 23, line 14, strike out the double quotation marks, the semicolon, and the word "and".

On page 23, immediately following line 14, insert the following:

"(f) In addition to the rates of postage otherwise prescribed by this section, there shall be a charge of 0.3 cents per copy, when more than 500,000 copies per issue of any publication are mailed at the rates prescribed by this section, payable only on—

"(1) each copy in excess of 500,000 copies per issue mailed at the original point of entry; and

"(2) each copy mailed at other than the original point of entry; and".

Mr. HECHLER of West Virginia. Mr. Chairman, first I will indicate what this amendment does not cover. This amendment does not cover third-class mail. I will be offering an amendment a little bit later to raise the rate to 4.5 cents a piece on bulk commercial third-class mail.

Many of my friends have importuned me to take a keener interest in raising second-class rates. I have yielded to those many requests and decided to introduce this amendment, which provides a surcharge of 0.3 cent per copy on magazines with circulations of over 500,000. My study indicates that there are some 46 publications with more than a 500,000-per-issue circulation through that would be paying this very modest surcharge. That means that if the circulation were 500,001, the payment would be made only for the one copy over the 500,000, since the first 500,000 copies are exempted. On the average, each of these 46 publications would be paying about \$120,000 more, but this payment would range from a few dollars for those magazines that circulate only a few copies over 500,000 through the mails to something over \$900,000 for Life magazine, which has the largest total number of pieces mailed annually. This, of course, will increase the cost coverage provided by the second-class section of the bill, which I think is a point that many critics of the present rate structure and the committee rate structure have called attention to. In addition to that, it would bring in more revenue for the Government at a time when we sorely need revenue.

Without my amendment, cost coverage for regular rate publications would

move over a 3-year period from the present 29.3 percent to 36.2 percent. The addition of this surcharge would raise this 36.2-percent cost coverage to 37.9 percent. This is an improvement, but still represents a big cost concession to second-class mailers.

In 1962, the Congress provided a lower postage rate for publications with less than 5,000 circulation outside of county. The pending legislation continues a lower rate for such publications. I agree with the principle that publications with small circulations are less able to pay. I also agree with the principle that publications with large circulations through the mail are better able to pay. And I believe that the very large deficiency in postage paid by second-class mailers requires that this class as a whole should pay more than it is now paying.

Mr. Chairman, I would estimate that my amendment would bring in about \$5.5 million in additional revenue. The amendment would affect the following magazines, according to my calculations: American Home, Argosy, Better Homes and Gardens, Business Week, Changing Times, Children's Digest, Co-Ed, Ebony, Esquire, Farm Journal, Field and Stream, Flower and Garden, Glamour, Good Housekeeping, Holiday, House Beautiful, House and Garden, Humpty Dumpty, Ingenue, Jack and Jill, Ladies Home Journal, Life, Look, McCall's, Mechanix Illustrated, Nation's Business, Newsweek, Outdoor Life, Parent's Magazine, Playboy, Popular Mechanics, Popular Science Monthly, Reader's Digest, Redbook Magazine, Saturday Evening Post, Sport, Sports Afield, Sports Illustrated, Successful Farming, Sunset, Time, True, True Story, TV Guide, U.S. News & World Report, and Workbasket.

It would not throw any of these publications out of business. All of these publications can afford to absorb this very modest surcharge. I do not believe that this amendment is in any way discriminatory. Many of these publications receive very large subsidies from the Federal Treasury already.

Mr. Chairman, for all of these reasons, I urge that this amendment be given favorable consideration by the Committee.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment.

(Mr. OLSEN asked and was given permission to revise and extend his remarks.)

Mr. OLSEN. Mr. Chairman, this has been a field that I have supported. I have supported this problem of a surtax on the expeditious handling of second-class mail. But I have become convinced that we should not impose this charge at this time.

Mr. Chairman, the gentleman from Pennsylvania [Mr. Nix], the gentleman from Texas [Mr. Pool], the gentleman from Pennsylvania [Mr. Corbett], as well as myself, have all agreed that this is a field that we have got to exhaustively study as to what we should be doing about the expeditious handling of second- and third-class mail.

I feel we ought to go along with this rate increase at this time and that then we ought to go on with a study of it and come back to this House next year with a

recommendation that would be more equitable than we can possibly do at this time.

For that reason, Mr. Chairman, I oppose the amendment.

Mr. UDALL. Mr. Chairman, will the gentleman yield to me at that point?

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I want to say that the gentleman's opposition to the amendment is sound. The thrust of this amendment is really to the effect that we are going to penalize magazines which are big. In other words, if you have more than 500,000 circulation, we will penalize you; we will penalize you whether you are on the brink of bankruptcy, as some magazines are at this time, or whether you are the Reader's Digest, or Life, or Look, and making money. This is an unsound way to go about it.

Mr. Chairman, the committee considered this question rather carefully. I agree with the gentleman from Montana that the subject needs further study. But, to simply draw an arbitrary line and say that we will penalize the large-circulation magazines, in my opinion would be unwise.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Why do you not raise the rate across the board on all of them?

Mr. OLSEN. We have. We have raised their rates about 23 percent in this bill. Now, if you will bear with me for just one moment, for instance in the case of the Atlantic Monthly, that magazine has not made a profit until the last year for the last ten years. If we raised the rate much more, we would put it out of business.

There are other magazines that we would, perhaps, put out of business if we raised this second-class rate too much.

We would like to study this problem at length and in depth and not be unfair to the public and certainly not be unfair to the mailers themselves.

Mr. UDALL. Mr. Chairman, will the gentleman yield further?

Mr. OLSEN. I yield further to the gentleman from Arizona.

Mr. UDALL. The gentleman from Mississippi [Mr. ABERNETHY] makes a very valid point. There will be amendments offered, I am told, to increase the rates on magazines and newspapers by some rather large amount. Therefore, if you think that the committee has not gone far enough with reference to magazines and newspapers, I say the fair way is to hit them all who mail only several copies, up to 10 million copies, but not pick on just the big ones, because out of the operations of the prosperous ones comes 52 percent of all the money that goes to Uncle Sam in this field anyway.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield further?

Mr. OLSEN. I yield further to the gentleman from Mississippi.

Mr. ABERNETHY. Does the gentleman feel that the Federal Government owes any obligation to carry this merchandise—that is what it amounts to—or magazines for these people at a loss?

Why should we do that?

Mr. OLSEN. I agree with the gentleman that we should not carry them at a loss, but this has been an experience in this country for about some 200 years, to encourage printed material as a policy of encouraging the democracy that we need this printed material.

Now, I maintain, as I believe the gentleman would, that inasmuch as we have radio and television that we ought to review this thing, and that is exactly what I propose to do. I do not propose to do it in this rate bill. I believe we ought to have a review of the specific problem on whether or not we are going on and continue the subsidy on second-class mail, and we should not do it just in this rate bill.

[Mr. CUNNINGHAM addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. SNYDER. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I would say I certainly agree with what the gentleman from Nebraska just said, and in response to the gentleman from Arizona who said that this was just picking on the big boys, I would say that this is the premise under which the Government operates with the graduated income tax over the years.

It seems to me to be consistent with the premise that we have been operating on in this connection.

I think the time that we should subsidize the big boys has long since passed and they ought to be paying their own way.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman.

Mr. HECHLER of West Virginia. I appreciate the support of the gentleman from Kentucky and also the gentleman from Nebraska.

I certainly agree that this is a principle under which the graduated income tax operates. We are not penalizing bigness. On the other hand, what we are doing is protecting those smaller magazines which otherwise would be driven out of business.

Mr. Chairman, I urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The question was taken; and on a division (demanded by Mr. UDALL), there were—ayes 98, noes 50.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 20, line 24, strike out "and associations of rural electric cooperatives."

Mr. DERWINSKI. Mr. Chairman, I am only going to take a minute, since the ease with which the last amendment was passed would lead me to believe that any amendment to increase revenues should automatically be adopted. So I am almost inclined to ask for just a repeat vote and go on my way.

But, before I make that point, the thing to keep in mind is that we have now seen dramatic evidence of the fact that the only logical amendment to offer at any point in this bill is to strike out the enacting clause and send it back to the committee.

We had our dear friend, the gentleman from Arizona [Mr. UDALL], to point out that any amendments that are not based on intimate knowledge of the rate structure should be rejected.

In trying to answer the Hechler amendment, the gentleman from Montana [Mr. OLSEN] said that they did not know enough about the amendment in the second-class rate structure and they were going to have to study it.

So here we have the chairman of the subcommittee admitting on two occasions during this debate that his subcommittee does not have enough knowledge of this basic subject. Can you imagine the chairman of any other subcommittee or the chairman of any standing committee coming down and making that admission? It would seem to me we have made an absolute case in bringing out the sheer chaos in this bill. I have a little amendment which is intended to help eliminate some of the chaos.

Back at the time of the last rate bill someone slipped a gimmick into the bill giving rural electric cooperatives the same preferred second-class rate that great organizations such as the Cancer Society and religious groups receive. I am sure that despite any affection any of you may have for rural electric cooperatives, they certainly do not deserve the same mail subsidy which the Cancer Society, the American Legion, the Catholic Church, any Protestant denomination or any other proper organization you may think of receives. So all my amendment would do is to strike from the definition of the second-class nonprofit category rural electric cooperatives.

I do not really know how much revenue this will raise, but it will raise some revenue. Therefore, it ought to be accepted on its merits, plus, I would think you would want to have a distinction between religious, fraternal, and patriotic groups and rural electric cooperatives.

So I hope my amendment will be accepted.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. TEAGUE of California. The gentleman might also wish to point out to the Members of the House who may not recall the fact that the rural electric co-ops get Government money at 2 percent. They already get a great big Government subsidy without this additional subsidy in the way of preferred postal rates.

Mr. DERWINSKI. I would have mentioned that except we are discussing postal rates, and that subject alone is so confusing that to discuss interest rates that the co-ops pay would merely add to mass confusion. As I have said, this is a revenue-raising amendment. It would straighten out an innocent mistake in the past rate bill, and I would hope that it could be adopted with due dispatch.

Mr. DOW. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. DOW. With regard to rural electric co-ops, as a member of the Committee on Agriculture I would like to point out that this year we went through a siege in that committee in which we discussed the proposal to extend credit facilities for the rural electric co-ops. At the end of the discussion, it came to nothing. It seems to me that the rural electric co-ops have had severe treatment at the hands of the Congress this year, and the gentleman's amendment would simply add insult to injury.

Mr. DERWINSKI. Oh, no. My amendment would merely assure that the rural electric co-ops are not confused with the Cancer Society, church groups, patriotic organizations, and legitimate not-for-profit organizations. I certainly would not think of abusing the poor taxpayer. That would be the farthest thought from my mind. Since the amendment would raise revenue, and since the chairman of the subcommittee has admitted that we do not have answers to this entire section, if you would accept my amendment, we could proceed with dispatch.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment. I do not have to take long to tell you that this particular section permits a preferred rate for the Eagles, the Elks, the Masonic lodges, and the Knights of Columbus as well as educational, scientific, philanthropic, and agricultural organizations. It does provide this exceptional rate for rural electric co-ops, too. But we are not dealing with that subject tonight. We are not dealing with that subject in this bill. We are trying to raise rates. We are not trying to make distinctions between people in a class.

I think that probably the Committee ought to take up the subject of distinguishing between people or between groups in a different class or make differences within a class. But that is not what we are attempting to do at this time. I think that rural electric co-ops should continue to have the same preferred rate as other fraternal organizations until we can review the whole class. We cannot do that in relation to this bill at this time.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Illinois.

Mr. DERWINSKI. You could still review that whole class even after my amendment is accepted.

Mr. OLSEN. No; I do not think we can, and I do not think the amendment ought to be accepted. I do not think we ought to do anything about this section of the bill until we take up the whole of that section and make distinctions at another time.

I hope that the amendment is defeated.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment. I think this amendment is very much out of place.

It is scarcely wise to suggest that we ought to put a special burden on the rural electric cooperatives across the country

at the very moment when the farmers of the country—those who are sharing least in whatever prosperity we have today, and for whom the rural electrification cooperatives over the years have fought to obtain the benefits of electricity and modern mechanization for farmers in upstate New York, and elsewhere, as the gentleman from New York [Mr. DOW] mentioned so eloquently a moment ago—are struggling to try to keep their heads above water. We have had dozens of Members of the House who have petitioned the Secretary of Agriculture in recent weeks to help the farmer. Now we are going to single our farmers out for special punishment? This amendment would take it out of the hides of our farmers by increasing the rates for even the small publications of the rural electric cooperatives that have tried so hard to help these farmers.

I think the amendment ought to be overwhelmingly defeated.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Texas.

Mr. CABELL. Mr. Chairman, I would like to ask a question of the gentleman from Illinois. Would he include SNCC, also, in taking any exemptions from them?

Mr. DERWINSKI. Mr. Chairman, I certainly would think they do not qualify as a nonprofit organization.

Mr. CABELL. I thank the gentleman.

Mr. DERWINSKI. May I point out to the distinguished and brilliant and eloquent gentleman from New York this.

Mr. STRATTON. Mr. Chairman, I will be glad to yield to the gentleman from Illinois if he wants me to yield to him.

Mr. DERWINSKI. Mr. Chairman, is the gentleman being perfectly logical when he said we should not take this one lot of postage out of the hides of the cooperatives, what about the taxpayers of the country? The gentleman did not shed a tear over that.

Mr. STRATTON. I do not think the gentleman understands farmers or farm cooperatives, and I think other Members of the House do, and I think they will vote down his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The question was taken; and on a division (demanded by Mr. DERWINSKI) there were—ayes 51, noes 90.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 24, strike out line 15 and all that follows down through the second period in line 14 on page 25, and insert in lieu thereof the following:

“THIRD-CLASS MAIL

“SEC. 107. (a) (1) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

“(a) Except as otherwise provided in this section, the postage rates on third-class mail are as follows:

Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968 (cents)	Mailed on and after Jan. 7, 1968 (cents)	
(1) Individual piece.....	6	6.0	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—	2	2.0	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.....	12	18.0	Each pound or fraction thereof.
(B) Other matter.....	18	24.0	Do.
(C) Minimum charge of—			
(i) Regular.....	27½	4.5	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	2.25	Do.

“(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable.”

“(2) Subsection (e) of section 4452 of title 39, United States Code, prescribing the annual permit fee for third-class bulk mailings, is amended by striking out ‘\$30’ and inserting in lieu thereof ‘\$40.’”

Mr. HECHLER of West Virginia (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. OLSEN. Mr. Chairman, will the gentleman yield for a motion?

Mr. HECHLER of West Virginia. Mr. Chairman, I yield to the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7977) to adjust certain postage rates, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. OLSEN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill H.R. 7977, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

JUSTICE BY CONGRESSMAN HENRY B. GONZALEZ

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include an address by the Honorable HENRY B. GONZALEZ.)

Mr. MADDEN. Mr. Speaker, last Friday evening, October 6, my colleague, HENRY B. GONZALEZ, of Texas, was the principal speaker at the annual meeting

of the Urban League in the city of Gary, Ind. The following are excerpts from his speech to the citizens of the Indiana Calumet region:

JUSTICE

The pledge of allegiance of the United States says, “. . . one nation under God, with liberty and justice for all.” The very foundation of this country is stated in those words—liberty and justice. For you cannot have one without the other; you cannot have justice without liberty, and you cannot have liberty without justice. The question always before us is whether we possess these abstract ideals, whether they really do exist, because we know that when the ideals of liberty and justice perish, so will the American dream, and so will the American experiment.

There can be no doubt that Americans have passionately believed in the principles of liberty and justice; these precepts are spelled out in the Constitution and the Declaration of Independence; they have been tested in the crucible of war; and they have been tested in debate, in suits at law; and in every conceivable way. The question before us now is whether we still believe in these principles, and whether we are willing to support them with our determined energies.

The question faces every American, every day: what is justice; and what will I do to support my belief in it? It is a question that must be answered every day, in a thousand ways and in a thousand places; it is an issue facing judge and juries, schools and cities, states and armies; and the issue hangs in the balance in every choice. Be it in Houston, Boston, Los Angeles or Gary, the issue faces us all. Justice does not always prevail because not all men are just; but it is the mark of honor of our country that more often than not a man can know that here, more than in any other place in the world, he has a fair chance to obtain justice.

I believe that all of us share a common faith and heritage; and our belief is stronger than even we ourselves may suspect. All of us have learned the some phrases from history, the same lines from poetry that express this heritage. And most of us believe words like these:

As for me, give me liberty or give me death; if this be treason make the most of it; If they mean to have a war, let it begin here; We hold these truths to be self-evident—life, liberty, and the pursuit of happiness; Where liberty dwells, there is my country; Liberty and union, now and forever, one and inseparable; Government of the people, by the people and for the people; With malice toward none; with charity for all; with firmness in the right as God gives us to see the right; I shall never surrender nor retreat; We have nothing to fear but fear itself.

There are those who believe in neither freedom nor justice. There are those who want not simply redress of their grievances,

but revenge as well. There are those who are so disillusioned that they prefer to leave this land altogether rather than continue living in it. There are those who would withdraw from society, even though they want the blessings of living in it. These are the voices of despair and the prophets of gloom, and they are made possible only by failure. Wherever there is failure of our society to provide for men's wants, there arises discontent and sometimes disorder. It is the tragedy of failure that makes it possible for the vendors of hate to exist and be heard. But I believe that the American dream is still full of hope for all of us; and I believe in the ultimate and final triumph of good over evil, and I believe that men know the difference between wisdom and folly. I believe, as Carl Sandburg did, when he was moved to write:

"Across the bitter years and howling winters
The deathless dream will be the stronger
The dream of equity will win."

The question for us, I believe, is not whether we believe in equity, or in justice, because I believe that we do. The real question is what this ideal is, and how it can be achieved or realized.

Justice is more than a legal device, or a legal guarantee. In its essence, justice is the right of every man to be judged on his own merits, and not on any other quality.

When all men are accorded this right to be judged according to merit, then we will be closer to a just world and a just society.

But justice must consist of more than just being permitted an honest evaluation. Justice demands equal opportunity—equal opportunity for jobs and for education and for all the benefits of life. Every man must have an equal right to live, to work and to be educated. These are things that cannot be restricted to some men because they are wealthy and denied others because they are not; these are privileges that should belong to all men, not just those who live in the right neighborhood or have the right religion or the right name or the right skin.

I have spent a good part of my life seeking justice; justice for myself, for my children, and for other people. I have known hard times, and I have known deep hurt, and deep resentment; and I have known the anger that stems from being the victim of injustice. But I have also known success, and I have discovered that people are in fact willing to elect for decency over bigotry, and people are in fact willing to elect to judge on the basis of merit rather than any other fact. If this were not true, I would not be here today; I would never have been elected to Congress, or to the senate of the State of Texas; and if this were not true I would never have been elected to the city council of the City of San Antonio.

I have seen campaigns when attempts were made to submerge me in a sea of hatred, or wash me away in a tide of bigotry. But the people who elected me saw through these shabby tactics; they overcame fear, they overcame prejudice; they overcame vicious attacks, and gave me the right to run on my own merits, on my own record, and on beliefs. I have the privilege of being told that I was the better man—notwithstanding all efforts to cloud the issues—notwithstanding anything the opposition could do. I have the privilege of having been the first man with a Spanish surname to be elected to the Texas senate in a period of a hundred years; and one of the few men of such background to have been elected to Congress. I tell you this not because I am bragging; I tell you this not because I am lacking in humility, for I am above all else grateful to the people who have placed confidence and trust in me; but I tell you this because my experience proves that people are fundamentally decent.

Surely there have been those who have threatened me, and there have been those

who have called me names; and there have been those who have hated me for no other reason than that I am what I am. But the mass of people have been honest, forthright and decent; and the vast majority of people have been willing to take me at face value. That is justice. It may be unjust that I am sometimes disliked for some irrational reason; but it is pure and simple justice that no man has in my city of San Antonio attempted to run on a platform of hate or bigotry and had any success in the last two decades.

This is an experience every electorate must go through sooner or later. Every electorate has been or will be subjected to the call of the bigot, and will know the words of the purveyors of hate; and every electorate will have to listen at one time or another to a professional racist. The test of our country will be, time and time again, in place after place, whether we will be swayed by the unscrupulous, whether we will elect our public officers on rational or irrational bases. I have complete faith and confidence that there will not be many elections bought by hate or sold by distrust. I believe people will act for what they believe in, and that what they believe in is justice.

But it is not only at the ballot box that elections must be made. Every time open housing is debated the specter of bigotry hangs behind elegant words. It is claimed that open housing will depress property values; but the real truth is that property values go down only if a man doesn't believe in the value in the first place. It is said that open housing would create chaos, but in fact chaos can only come if men accede to the cries of the violent, and shun order for themselves. The real issue will some day be brought out into the open, and debated, and that issue will be this: does every man have the right to live where he pleases to live or does he not? And the answer to that question must be clear, if it is answered with any sense of decency at all. So this is an election that ultimately every man must participate in as well—every man must decide whether liberty is only for a few and not for others, or whether liberty is for one and all. And this election will not be conducted at the ballot box or in the voting booth; it will be conducted in every neighborhood, and by every man who lives in the nation.

Not only open housing must be decided, but a thousand other issues as well—equal employment opportunity; equal promotion opportunity; equal opportunity to participate in the marketplace of ideas and in the marketplace of commerce; equal opportunity for education. In a few places there must even be a decision about equal access to the graveyard. And in every case this election will be for justice or injustice, for liberty or lack of it; for good will or for animosity; for prejudice or for common decency; for good or evil.

We must all remember this: what affects one man for good or evil also affects other men in the same way. Society is like a pool of water; if you throw a pebble in a pool of water, the effects are spread over the whole surface of that pool, until the whole pond has been affected and disturbed.

I am a man of Mexican extraction. I can say in all honesty that if it had not been for the Negro, and for Negro progress, discrimination would still be as bad against the Mexican-American as it ever was.

Right after World War II it was a common practice to employ restrictive covenants in real estate deeds. These covenants would deny access to property if you were quote "Negro or Mexican." This was discrimination against me as well as my black brothers. In fact this discrimination was so bad that during World War II, a man of Mexican extraction who had been killed in combat was denied a funeral in his home town cemetery—only because he was a Mexican, or "Meskin" as they pronounce it in that town.

It took the efforts of strong men to find that dead hero a place to rest, and to shame those who would have denied it to him. I am glad to say that President Johnson, who was then in Congress, was among those who corrected this problem. But suppose no one had acted—how many more men would have been denied even a grave, after having died for their country in a war which ironically enough was directed against fanatical race hatred. This problem is still with us, even today; but I say to you that it is better now, and will become better yet, because the conscience of this country has been touched, and has been found responsive.

Restrictive covenants affected me after World War II, and they affected Negroes also. But I could not afford a lawsuit to challenge the legality of this practice; and the Spanish minority could not organize itself to finance such a suit. It was up to the Negro to lay down the challenge and take the issue to court. And it was done. I remember well that 1948 decision which struck down this barrier. It was not only for the Negro—it was for all Americans—Jew and Gentile, Negro and Mexican, Indian and Oriental—all of whom suffered from this odious practice.

Jane Donne wrote three hundred years ago, "no man is an island entire of itself." And it is true, more true now than ever. And so are these words: "Any man's death diminishes me, because I am involved in Mankind; and therefore, never send to know for whom the bell tolls; it tolls for thee."

When there is progress for any segment of America, that is also progress for all Americans. If any ethnic minority suffers an indignity or humiliation, or is the victim of some discriminatory practice, all of society suffers. And if the Negro suffers, I share the suffering, because the same affliction cast on the Negro is cast on me. For all of us are in the same society. Whatever benefits any part of society benefits all of it; and whatever harms some part of society harms all of it. Whenever a man is great, it does not matter who he is or what he is; all of society and all of mankind benefits from his greatness. It did not matter that Einstein was a Jew and Fermi an Italian; what mattered was that they discovered the secret to the keys of the universe. Nor does it matter that Sam Houston was a half breed; what matters is that he did as he saw best, and all of us are the benefactors of his courage. It did not matter that Santa Anna was a Mexican, either—for Mexicans and Anglos alike suffered under him.

Justice is blind, and so is progress. If we believe in these ideals, and we practice them, we all benefit; and if we fail to believe in them and practice them, or if we fail to practice these ideals for everyone, then we have also failed ourselves. And it is not only a matter of believing; we must act on our beliefs.

No one benefits if you believe in progress and the best man and don't vote for your beliefs. All that happens is that you have a guilty conscience and the electorate is denied one good strong voice.

I do not pretend to believe that I know the solution to all the problems of mankind. I am not blind to the fact that injustice and intolerance exist; nor do I underestimate the strength of the obstacles that lie in the path of human happiness and liberty. What I have seen sometimes makes me wonder whether progress is attainable at all; but what I have seen also gives me cause to know that progress is possible, and that it is happening and that it cannot be halted. But justice does not exist simply because we believe in it, and progress does not come only because we want it to; for nothing exists in a vacuum and for anything to move inertia must be overcome.

If a man believes in justice he must exercise that belief. If he sees another man being treated unjustly he must come to that man's defense; and if he sees unreason he must

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

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HIGHLIGHTS: House passed pay bill.

SENATE

1. APPROPRIATIONS. Passed with amendments H. R. 10345, the Departments of State, Justice, and Commerce, the Judiciary, and related agencies appropriation bill, and conferees were appointed. House conferees have not been appointed.
pp. S14599-626
2. CREDIT UNIONS. Passed as reported S. 1084, to permit Federal employees to purchase credit union shares through voluntary payroll allotments, and S. 1085, to modernize the Federal Credit Union Act relating to the loan, investment, dividend, and reserve provisions. pp. S14595-9
3. COMMITTEE VETO. Sen. Ervin inserted several statements made during hearings on the "committee veto" which he said is "a highly controversial form of congressional review and oversight of the administration of the laws by the executive branch." pp. S14671-81

4. RURAL DEVELOPMENT. Sen. Monroney urged the enactment of a rural development program and inserted a speech by the Vice-President on this subject. pp. S14698-9
5. EMERGENCY FOOD. Sen. Javits recommended the enactment of an emergency food aid bill and commended the efforts now being made to add this legislation to the antipoverty bill. p. S14641
6. COOPERATIVES. Sen. Javits commended the work of farmer cooperatives on the celebration of National Co-Op Month during October. pp. S14640-1
7. POLLUTION. Sen. Griffin spoke in favor of S. 1341, to broaden the Federal role in lake pollution abatement. He said, "The legislation would authorize \$5 million to develop, through local and regional programs, improved methods for the prevention and removal of pollutants from small lakes." pp. S14644-5
Sen. Hartke urged that more attention be given to the control of pollution in Lake Michigan and called on the agencies involved to set priorities in an effort to clear up confusion in this area. pp. S14682-3
A subcommittee of the Public Works Committee completed work on S. 1341, to authorize grants to States for programs to control pollution in lakes; and S. 1870, to authorize funds for assisting in programs to eliminate acid pollution in streams. p. D908
8. RECREATION. Sen. Yarborough spoke in favor of his bill, S. 4, to establish the Big Thicket National Park; and inserted an article in support of this measure. pp. S14660-1
9. RESEARCH. Sen. Baker spoke in favor of S. Res. 68, to establish a Select Committee on Technology and the Human Environment, and inserted numerous letters in support of this measure. pp. S14661-71
10. MINING CLAIMS. The Interior and Insular Affairs Committee reported with amendment S. 2121, to extend the period for relief of occupants of certain unpatented mining claims (S. Rept. 593). p. S14627
11. GARDEN PLANTING WEEK. The Judiciary Committee reported without amendment S. J. Res. 85, to authorize the President to designate the first full week in October of each year as "Spring Garden Planting Week" (S. Rept. 608). p. S14627
12. COPYRIGHTS. The Judiciary Committee reported with amendment S. 2216, to establish a National Commission on New Technological Uses of Copyrighted Works (S. Rept. 640). p. S14627

HOUSE

13. PAY; POSTAL RATES. Passed, 318-89, with amendments H. R. 7977, the postal rates and pay increase bill. pp. H13217-278, ~~H13259-10~~
Agreed to the following amendments:
By Rep. Udall, to offer "some of the classified people premium pay for duties incurred in a travel status." pp. H13246-7
By Rep. Corbett, to require "each department and agency of the executive branch, with the exception of the postal field service, to absorb the full cost of the pay raises provided in the bill for fiscal 1968 that are in excess of the amounts contained in the fiscal 1968 budget." p. H13260

By Rep. Smith, Iowa, to prohibit nepotism in government employment. p.
H13264

Rejected a motion by Rep. Gross to recommit the bill for the purpose of striking the second- and third-stage pay raise. pp. H13276-7

14. APPROPRIATIONS. Conferees were appointed on H. R. 11641, the public works appropriation bill. Senate conferees have been appointed. p. H13213
15. TEXTILES. Rep. Curtis inserted two articles, "Lower Wages Is Strong Suit for Japan Textile Industry," and "Fiber Producers Beaming as Price Increases Loom." pp. H13289-90
16. FOREIGN AID. Rep. Findley inserted an argument by the State Dept., which he called "a shocking example of official indifference," against his amendment to the foreign assistance bill directing suspension of "most-favored-nation treatment from Poland." pp. H13290-1
17. EMERGENCY FOOD. Rep. Quie stated that it is his intention when the opportunity arises to offer an amendment which will require the OEO to take such action that may be necessary on an emergency basis to provide necessary food and medical services. pp. H13293-4
18. CROPLAND ADJUSTMENT. Reps. Fraser and Burton commended the cropland adjustment program and urged its continuation. pp. H13294, H13308-9
19. POVERTY. Several Representatives commended and discussed the poverty program. pp. H13294-5, H13310-11, H13312-14
20. MEAT INSPECTION. Rep. Smith, Iowa, spoke in support of his bill to strengthen the Federal Meat Inspection Act and extend its coverage to about 6000 large- and medium-sized plants "now slaughtering or processing meat without the protection afforded by the Federal meat inspection program" and inserted a supporting article. pp. H13306-7
21. COOPERATIVES. Rep. Sisk inserted Secretary Freeman's speech on cooperatives. pp. H13314-15
22. ECONOMY; TAXATION. Reps. Irwin, Young, and Miller, Calif., urged enactment of the proposed tax increase legislation. pp. H13213-4, H13214-5
Rep. Saylor stated there must be control of Government spending. pp. H13281-2.
Rep. Bow stated that "if we wish to attack the fiscal problem squarely, we must deal with appropriations and we must deal with expenditures." pp. H13291-2
Rep. Cramer suggested that the proposal to cutback the highway program is an "obvious sledgehammer tactic to bludgeon the Congress into passing the tax surcharges the President has recommended." pp. H13292-3
Rep. Fulton, Tenn., said that the phrase "mood of economy" in the Congress is misleading, and that it is not a "mood" but a necessity. pp. H13315-6

ITEMS IN APPENDIX

23. RECREATION; NATURAL RESOURCES. Rep. Kee inserted his newsletter describing programs for the development and conservation of natural resources. p. A5012
24. URBAN AFFAIRS. Rep. Brademas inserted a resolution on urban concerns which deplores "the evidence of increasing hostility being directed toward the poor and powerless people in our country." pp. A5015-6

25. POVERTY. Rep. Hawkins inserted an article, "Poverty Projects Show Results Despite Cynicism, Budget Cuts..." pp. A5026-7
26. RURAL AREAS. Extension of remarks of Rep. Quie stating there is a "debate building up across the Nation about how best to cope with the problems of the poor who live in rural areas", and inserting an article, "L. B. J. Aide Differ On Poverty Goals--Should Rural Poor Move to Cities?" pp. A5030-1

BILLS INTRODUCED

27. HOLIDAY. H. R. 13443 by Rep. Johnson, Pa., H. R. 13445 by Rep. Morse, and H. R. 13449 by Rep. Rooney, Pa., making Columbus Day a legal holiday; to Judiciary Committee.
28. TEXTILE IMPORTS. H. R. 13446 by Rep. Price, Tex., and H. R. 13458 by Rep. Pucinski, to provide for orderly trade in textile articles; to Ways and Means Committee.
29. FOOD ADDITIVES. H. R. 13454 by Rep. Don H. Clausen, H. R. 13459 by Rep. Clark, H. R. 13463 by Rep. Heckler, Mass., and H. R. 34667 by Rep. Shipley, to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements; to Interstate and Foreign Commerce Committee.
30. BUILDINGS. H. R. 13441 by Rep. Horton, to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped; to Public Works Committee. Remarks of author p. H13283
31. TAXATION. H. R. 13448 by Rep. Resnick, to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to Ways and Means Committee.
32. MINK IMPORTS. H. R. 13450 by Rep. Saylor, to amend the tariff schedules of the United States with respect to the rate of duty on whole skins or mink, whether or not dressed; to Ways and Means Committee.
33. EMPLOYMENT. H. R. 13452 by Rep. Waldie, to guarantee productive employment opportunities for those who are unemployed or underemployed; to Education and Labor Committee. Remarks of author p. H13312
34. FARM LABOR. H. R. 13462 by Rep. Gonzalez, to extend and otherwise amend certain expiring provisions of the Public Health Service Act to migrant health services; to Interstate and Foreign Commerce Committee

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COMMITTEE HEARINGS:

- Oct. 12: Federal research and development activities, S. Small Business.
Poverty program, H. Education and Labor (exec).
Foreign aid authorization, conferees (exec).
Public works appropriations, conferees (exec).
- Oct. 18: Import quotas, S. Finance (Schnittker to testify).

The SPEAKER. On this rollcall 406 Members have answered their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE LATE STANLEY BANYAN

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. O'HARA of Illinois. Mr. Speaker, my good and distinguished friend from the district in Michigan where I was born [Mr. HUTCHINSON], has informed me of the death of Stanley Banyan, editor and publisher of the Benton Harbor News-Palladium, and the deep grief of the community over the passing at the age of 80 of an outstanding newspaperman, a native son of Benton Harbor whose brilliant career in peace and war was highly noteworthy.

Stanley was the younger brother of Willard and Walter Banyan, both of whom are gone. Willard and I played together on the Benton Harbor High School football team in 1899. Walter was a poet of note, a little younger than Ben King, but the names are linked together as the poets laureate of the old and beautiful St. Joe River and the twin cities at its mouth, St. Joseph and Benton Harbor.

No brothers ever contributed more on so many cultural and material fronts to any community than Willard, Walter, and Stanley Banyan to the home of my boyhood, Benton Harbor. I join with my colleague, Mr. HUTCHINSON, in deep condolence to the family and the community in the passing of the last of these gifted brothers.

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. O'HARA of Illinois' remarks will appear hereafter in the Appendix.]

(Mrs. GREEN of Oregon asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

[Mrs. GREEN of Oregon's remarks will appear hereafter in the Appendix.]

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

Mr. DULSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7977) to adjust certain postage rates, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House

on the State of the Union for the further consideration of the bill H.R. 7977, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, it had agreed that title I of the committee substitute, ending on page 35, line 18, would be considered as read, printed in the RECORD, and open to amendment at any point, and the amendment of the gentleman from West Virginia [Mr. HECHLER] had been reported.

The gentleman from West Virginia is recognized for 5 minutes in support of his amendment.

Mr. HECHLER of West Virginia. Mr. Chairman, I ask unanimous consent that the amendment be reported.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 24, strike out line 15 and all that follows down through the second period in line 14 on page 25, and insert in lieu thereof the following:

"THIRD-CLASS MAIL

"SEC. 107. (a) (1) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates on third-class mail are as follows:

Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968 (cents)	Mailed on and after Jan. 7, 1968 (cents)	
(1) Individual piece.....	6 2	6.0 2.0	1st 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	12	18.0	Each pound or fraction thereof.
(B) Other matter.....	18	24.0	Do.
(C) Minimum charge of—			
(i) Regular.....	27¢	4.5	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	2.25	Do.

"(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable."

(2) Subsection (e) of section 4452 of title 39, United States Code, prescribing the annual permit fee for third-class bulk mailings, is amended by striking out "\$30" and inserting in lieu thereof "\$40".

Mr. OLSEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

Mr. HALLECK. Mr. Chairman, reserving the right to object, I do so because we all know tomorrow is quite a day for many people. I should like to know, before we grant a lot of extensions of time, just what the program is for consideration of this bill. Obviously we could be here talking about it for a long, long time. If that is the program, so far as I am concerned I will just be here. I believe it might help the membership to know just what the plans are.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Montana.

Mr. OLSEN. I believe we should be charitable toward our dear friend the gentleman from West Virginia [Mr. HECHLER], and let him have an extra 5 minutes, but not after this. After this he should not have an extra 5 minutes. I believe he should now, because he has made a lot of study of this subject. Of

course, we want to resist him on our side, and I believe someone on the other side wants to resist him. He ought to have the extra 5 minutes now.

Mr. HALLECK. Mr. Chairman, I withdraw my reservation.

Mr. CORBETT. Mr. Chairman, reserving the right to object, there is going to be a substitute offered for this amendment. If I do not object now, I am going to object in the future to any requests for additional time, because the time has come when we should do more voting and less talking.

This amendment has been splashed all over the papers and talked about everywhere.

Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

Mr. HECHLER of West Virginia. Mr. Chairman, I ask unanimous consent that I may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. HALL. Mr. Chairman, reserving the right to object, will the gentleman make his request at the end of the first 5 minutes? Then we will know the value and the pith of his remarks. I am sure we will yield to him.

Mr. HECHLER of West Virginia. Mr. Chairman, I withdraw my request at this time.

The CHAIRMAN. The gentleman from West Virginia is recognized for 5 minutes in support of his amendment.

Mr. HECHLER of West Virginia. Mr. Chairman, postal rates concern all people. I believe too much discussion of third-class postal rates has centered around how these rates will affect those who mail this material and very little attention has been paid to the millions of individuals who receive third-class

mail, the postal employees who handle it, and the taxpayers who have to make up the postal deficit, which is increased by third-class mail.

Mr. Chairman, this is a people's amendment. It is a consumers' amendment. It is an amendment which represents the outraged outcry of millions of Americans who are somewhat fed up with the clutter which fills their mailboxes, which they have to help pay for in their taxes.

This is an amendment which helps the mail carrier, the postal clerk, and postal workers everywhere who have to handle the mountain of third-class mail which is growing in volume faster than any other class of mail, threatening to clog our entire postal system and slowing down delivery of first-class and other important mail.

I wish I could share with Members the thousands of letters, telephone calls and telegrams that have poured into my office from every State of the Union. These come from many people who write that this is the first time in their lives they have written to a Congressman. They have no big lobbyist or organization to speak for them. I say to the Members, lobbyists have been more than active in opposing this amendment. I have been shocked by some of the examples of lobbying revealed by third-class mail organizations in order to thwart the will of the people.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I am glad to yield to the gentleman from Maryland.

Mr. LONG of Maryland. I have had long experience with lobbyists. I believe they have a place in politics. In fact, most of the lobbyists whom I know I respect and consider to be honest and dedicated people.

But I want to report a piece of lobbying on this particular legislation that is unique in my experience in Congress.

My legislative assistant got a call yesterday from a Harry Maginnis who, I believe, is president of the Associated Third-Class Mail Users, who said his only contact with me was in connection with solicitation to attend a fundraising dinner, but that he wanted the Congressman—meaning me—to vote against this Hechler of West Virginia amendment. My legislative assistant said she would be glad to tell the Congressman this and he would certainly consider it. He said that he did not want me just to consider it. He said, "I want his warm body over there to vote against it." Now, this is the kind of lobbying we can do without. The Members of this body ought to know the type of pressure that the Congressmen are up against. I do not know at this moment how I am going to vote. I am going to listen to the debate. But this kind of lobbying predisposes me at this moment to vote for the Hechler of West Virginia amendment.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman from Maryland for that comment and for the startling illustration he has supplied. I would say once again that it is the obligation of the Members of this Committee

and the Members of the House not to listen simply to those with the most bulging briefcases, the most raucous voices, and the best financed lobbies back of them. We are representing the American people here and have to think of the taxes they pay. Also we must consider the deficit which the Post Office Department is now incurring largely as a result of third-class mail.

Mr. Chairman, H.R. 7977 must also be considered in relation to the entire economic situation which faces the United States. We are not legislating piecemeal here nor in a vacuum. All members of the House Committee on Appropriations, all members of the House Committee on Ways and Means, all members of the House Committee on Banking and Currency and the Joint Economic Committee and in fact all Members of the House should be particularly concerned with the way that this bill relates to all appropriations, expenditures, and revenues. That is why I ask you to look closely at the fact that the committee bill will bring in \$234 million in revenue from third-class mail. The pending amendment which I propose will bring in a total of \$370 million in annual revenue. Should you turn up your nose on this additional \$136 million in annual revenue at a time when we are spending \$2 billion a month in Vietnam and we are in an entirely new economic ball game from the time last April when the administration proposed the 3.8-cent rate on third-class bulk mail?

This is no arbitrary or capricious amendment. Although I am not a member of the committee, I have spent countless hours with officials of the Post Office Department, with Postmaster General O'Brien, with Assistant Postmaster General Ralph Nicholson, and with various specialists who know the facts.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HECHLER of West Virginia. Mr. Chairman, I ask unanimous consent to proceed for 4 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. CORBETT. Mr. Chairman, I object. If the gentleman wants to ask for 3 minutes, as he indicated he would before, then I will not object.

Mr. HECHLER of West Virginia. Mr. Chairman, I modify my request and ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Chairman, the Post Office Department has indicated that if you take into consideration the pay raise contained in the pending legislation, which drives up the cost of delivering all mail, and if you also include the savings to the Department due to ZIP coding by the third-class mailers, the cost coverage in my amendment will be 91 percent. This means there is still a margin of 9 percent subsidy in my amendment.

Mr. FUQUA. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, I just want to say to my good friend from West Virginia that I support his amendment. I want to commend him for the fine job he has done in preparing himself for the presentation of this amendment. I hope that the amendment is adopted.

Mr. HECHLER of West Virginia. I thank the gentleman from Florida for his kind remarks and for his helpful support.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Maryland.

Mr. GUDE. I would like to commend the gentleman for his interest in this work. As he says, this is work in the interests of citizens who do not have a lobby here. I think that the sheer abundance of this third-class mail in every citizen's letterbox is an indication of the validity of his remarks.

As everyone knows, we are faced with an enormous Federal deficit. The Post Office Department accounts for some \$1.2 billion of that deficit. This method of postal financing certainly runs counter to the well-established precedent of the 1958 Postal Policy Act which decided that postal revenues should nearly equal the costs of postal service. Thus, if we are going to adhere to this prudent policy—and I think we should—then obviously we are going to have to increase the postal rates. And if we are not willing to raise the rates, then we are going to have to find the money elsewhere—probably in the form of higher taxes.

The most logical and equitable way to do this is to make each user pay, insofar as possible, his fair share of the postal costs. Presently, the citizen using the first-class mail is paying more than his fair share of the cost to send a letter: he is subsidizing the users of third-class mail. More often than not, he is subsidizing the very mail which he is going to get but which he did not solicit and does not want. Now, we do not ask our citizens to subsidize advertising on billboards, television, and the like, so we certainly should not ask nor expect them to subsidize advertising by mail.

(Mr. GUDE asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Chairman, this is a \$40 billion a year business according to those who engage in third-class mailing. If it is a \$40 billion-a-year business, it should certainly be able to afford to pay its way. Mr. Chairman, why should second-class rates be phased over a 3-year period unlike third-class rates?

The answer to that is simple, Mr. Chairman, because second-class publications are subscription contracts which frequently run over 1 year in length. That is the necessity for phasing them over a 3-year period.

Mr. Chairman, this is not simply a battle between various forms of advertising. It goes deeper than that. It is a fight between those who want and demand subsidized advertising and the taxpayers of this Nation who are looking on today to see what action we will take.

Mr. Chairman, I would like to ask any member of the Committee on Post Office and Civil Service to answer me this simple question: Does an advertiser when he purchases a billboard, expect to be subsidized by the taxpayers? Of course not. Then why does an advertiser expect the taxpayers to foot part of the bill simply because he advertises through the mail?

Mr. OLSEN. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Montana.

Mr. OLSEN. I am a member of the Committee on Public Works and a member of the Subcommittee on Public Roads of that committee. Of course, we subsidize the billboards. We build the highways for them.

For goodness sakes, do not compare the Post Office Department with billboards.

Mr. HECHLER of West Virginia. I regret to respond that whenever any business about which I know pays an advertising rate on a billboard he pays 100 percent of the advertising. He does not expect the taxpayers to pick up the tab for that billboard.

Mr. OLSEN. Mr. Chairman, if the gentleman will yield further, he does not pay for the highway.

Mr. HECHLER of West Virginia. Mr. Chairman, it has been stated here that since third-class mail does not get preferential treatment like first-class mail, therefore the rates for third-class mail should be much lower. It has also been contended that if the rate for third class is so close to the first-class rate, then third-class users would rather go first class than to ZIP code, sort, and perform the other functions now done outside the post office by third-class mail users. First, I would like to point out that although the original version of my bill, H.R. 99, contained a single-piece rate of 5 cents for nonbulk mailing, the amendment which I am sponsoring today supports the committee in setting the single-piece rate at 6 cents for nonbulk mailing.

The second point I would like to make is that there is indeed a clear differential between the third-class bulk rate of 4.5 cents which I am proposing, and the 6-cent, first-class rate contained in the pending legislation. As a matter of fact, there was also a 1½-cent rate differential between first-class rates and third-class bulk rates in effect between July 1952 and August 1958, when the third-class bulk rate was 1½ cents and the first-class rate was 3 cents. Also, there was a 1½-cent rate differential in effect between July 1960 and January 1963, when the first-class rate was 4 cents and the third-class bulk rate was 2½ cents.

So there really is a clear differential pricing involved in my amendment and the way in which it relates to the first-class rate.

Mr. Chairman, just who formed this great country of ours?

The preamble to the Constitution of the United States says: "We the people of the United States."

Not the third-class mail lobbyists, not the big campaign contributors, but the people—ordinary people who receive third-class mail and send first-class mail,

consumers, housewives and average people who wish they didn't have to help subsidize this clutter of junk mail.

Why are we assembled here in the Congress of the United States?

Article I, section 2 of the Constitution of the United States clearly says:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States.

We are chosen by the people, and not by the lobbyists for the third-class mail users or anyone else. We are sent here to represent people, people who receive mail, and will in the future be paying one more cent of tribute in their higher first-class mail rates, and perhaps their higher taxes to subsidize the third-class mailers.

And so today we have an opportunity to speak out for people.

Nobody else is here to speak out for people. Nobody appeared before the committee to testify as a representative only of people. That is why you, my colleagues, have to seize that responsibility.

Even though the people did not come here to speak in the hearings before the Committee on Post Office and Civil Serv-

ice, I say that the people are watching what we do here today.

And the people have very long memories on a subject which is very close to them, which affects what they get in their mailbox, the service they get through our postal system, what they pay for, and how their Representatives in Congress truly represent their wishes.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

SUBSTITUTE AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS FOR THE AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. ANDERSON of Illinois. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois as a substitute amendment for the amendment offered by Mr. HECHLER of West Virginia: On page 25 immediately following line 2, strike the table and insert in lieu thereof the following table:

"Type of mailing	Rates				Unit
	Mailed prior to Jan. 7, 1968 (cents)	Mailed on and after Jan. 7, 1968 and prior to Jan. 5, 1969 (cents)	Mailed on and after Jan. 5, 1969 and prior to Jan. 4, 1970 (cents)	Mailed on and after Jan. 4, 1970 (cents)	
(1) Individual piece.....	6 2	6 2	6 2	■ 2	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of:					
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	14	15	16	Each pound or fraction thereof.
(B) Other matter.....	18	20	21	22	Do.
(C) Minimum charge of:					
(i) Regular.....	2½	3.2	3.6	3.8	Per piece.
(ii) Qualified nonprofit organizations.	1.25	1.6	1.8	1.9	Do.

Mr. OLSEN (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read, printed in the RECORD at this point, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

Mr. ANDERSON of Illinois. Mr. Chairman, reserving the right to object, would the gentleman from Montana undertake in making that request to explain the fact that this is the amendment about which I talked when I spoke under the rule on yesterday, that would simply phase over a 3-year period the recommendations that the committee has made for a 32-percent increase for third-class mailers?

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Certainly.

Mr. OLSEN. The amendment speaks for itself.

Mr. ANDERSON of Illinois. Would the gentleman agree that this is the amendment, and if so, I shall withdraw my reservation of objection?

Mr. OLSEN. Oh, yes. However, the

gentleman from Illinois can speak for himself.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Chairman, the distinguished gentleman and my friend, the gentleman from West Virginia [Mr. HECHLER], has said that the amendment which he has offered, which if adopted, would raise third-class rates 56 percent on January 7, 1968, is a consumers' amendment. I do not for 1 minute think that that is the correct description of it. This is simply an anti-small-business amendment. It is not a consumers' amendment at all.

What the gentleman from West Virginia failed to tell you is the fact that if you adopt his amendment you will be raising by 80 percent, third-class rates for all nonprofit associations in this country by increasing the bulk mailing rate from 1¼ to 2¼ cents. That is what you will be doing if you adopt the amend-

ment which has been offered by the gentleman from West Virginia. You are going to penalize the volunteer firemen's association, the churches, the parent-teachers association, and you will be saying to them that they have got to pay this 80-percent increase—for nonprofit organizations and a 56-percent increase for the business mailers come January 1968.

And I am not talking today for any association—I never discussed with Mr. McGinnis before I came on the floor—yesterday the fact that I was going to offer this amendment. Indeed, I had never talked to Mr. McGinnis in my life.

I put my cards on the table. I said that under the Postal Policy Act of 1958 the Congress was mandated to consider the effect of postal rate increases on business. And that is all I was going to ask you to do when I suggested phasing these increases over 3 years. I was talking primarily, as I do today, for the printing industry in America. I told you yesterday that the second largest industry in New York and New Jersey is the printing industry, and that across the country there are at least 260,000 people who earn their livelihood by printing catalogs and circulars that go into the mail. For the gentleman from West Virginia [Mr. HECHLER] to make an emotional argument that this is all junk mail, that this is all simply literary refuse that is thrown into the U.S. mails, is just not in accord with the facts.

I would suggest that before we get swept away by emotion that we ought to consider that we are going to put out of business the third-class mailers if we adopt the Hechler amendment. We ought to consider the impact that it is going to have upon the churches, upon the PTA's, and on other civic associations, and on the perfectly legitimate business organizations of this country.

What the gentleman from West Virginia has proposed is nothing more or less than an anti-small-business amendment.

I also want to remind the Members of the House of one further thing, and that is that the distinguished chairman of the Post Office and Civil Service Committee, the gentleman from New York [Mr. DULSKI], said on yesterday that he would support this amendment.

I am not trying to do violence to the rate structure of this bill. I am not taking away any revenue. I am simply saying give these people an opportunity to adjust.

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Yes, I yield to the distinguished chairman.

Mr. DULSKI. Does the gentleman remember when I appeared before the Committee on Rules? I said I took the same position the gentleman from Illinois has mentioned. I concur. I introduced a similar amendment in the committee. But this is all a package deal, and I am supporting the committee on the 3.8-cent rate. While personally I am wholeheartedly agreeing with the force of the gentleman's argument, we have a complete package that I presented for our committee.

Like the chairman of our Compensation Subcommittee said, this bill was wedded, and I happen to be the bridegroom for the whole bill.

Mr. ANDERSON of Illinois. I understood the gentleman to say and to mean that he would support my substitute to the amendment offered by the gentleman from West Virginia which, of course, is not in accordance with the bill that was reported out of the Post Office and Civil Service Committee.

I suggest again that we will be penalizing the small businessman who uses as much as 57 percent of his advertising budget for postage to use for direct mailing, who uses third-class mail, and the bulk rates that apply to third-class mail. He is the fellow who is going to be penalized.

To me it makes just about as much sense as to say that because maybe the hippies like to congregate in the public parks, as they did up in the Sheep Meadow of Central Park a few months ago, and we had a rally of antiwar people and draft card burners, that we ought to close down the parks simply because the wrong kind of people are using them. That is the same kind of logic if you use this blunderbuss approach of the gentleman from West Virginia. If you say today we are going to put out of business all of these people who use the third-class bulk rates, then you are using just about as much logic as the example I cited.

Of course, if the Members will examine the record of the hearings that were held before the Post Office and Civil Service Committee, they will find references to statements of people like Mr. Keating, who is the head of the letter carriers' union. They will also find a reference to a statement by Mr. Hallbeck, President of the United Federation of Postal Clerks Union, and they all testified that third-class mail is perfectly legitimate, the postal workers do not object to normal third-class mail. Quite to the contrary. I urge the Members to support the substitute amendment that I have offered to the amendment offered by the gentleman from West Virginia.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DULSKI. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from Illinois.

Mr. Chairman, this proposal to raise third-class rates even more than the very sharp increase in the committee bill would harshly punish one group of mail users for the benefit of another. It would capitalize on the disgraceful outpouring of self-serving newspaper editorials and stories demeaning third-class direct-mail advertising as "junk."

Newspapers and direct mailers compete for the advertiser's dollar. A tremendous increase in third-class postage rates might make that form of advertising economically unattractive to an advertiser and influence him to spend his money instead on newspaper advertising. These papers are not interested in discussing the merits of a legitimate public issue; they are interested in economic advantage.

This proposal to raise third-class rates

to 4.5 cents per piece means more than a 50-percent increase in rates for this category of mail. It would mean a one-shot 50-percent hike at a time when second-class rates are going up only 23 percent over a 3-year period and first-class rates are being raised only 20 percent.

This huge increase would be in addition to the substantial postal expenditures third-class mailers have had to make to comply with the Post Office's mandatory ZIP code presorting requirements.

Some of the most specious arguments I have ever heard have been used against third-class mail. It is said that people who receive third-class advertising matter do not ask for it and do not want it. A great deal of advertising is sent out by first-class mail. It is not solicited by the postal patron either, but the outcry is always against third-class mail. And do the people who receive their newspapers in the mail request the advertising supplements that are being stuffed into them in ever-greater numbers? They do not.

The proposal to increase the minimum rate on third-class bulk mail to 4.5 cents would do severe damage to a fine industry that contributes greatly to the Nation's economy. The chief drumbeaters for this punitive recommendation are interests which would reap an unfair and unwarranted economic advantage if it is adopted.

The bill recommended by our Postal Rates Subcommittee called for a 3.5 cent per piece rate for third-class mail, to be reached in three annual steps. The full committee raised this to 3.8 cents to be effective in one step next January. This is an increase of 32 percent. It is 50 percent higher than the increase called for in the bill for the other major categories of mail.

Under the circumstances, the committee proposal is far more justified than the amendment offered by the gentleman from West Virginia. Anything in excess of this committee increase would be grossly inequitable to an important and honorable industry and injurious to the national economy. This amendment should be rejected.

Mr. OLSEN. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from West Virginia [Mr. HECHLER]. I must say that I think the logic pointed out by the gentleman from Illinois [Mr. ANDERSON] is well taken, and very well founded.

The fact of the matter is that third-class mail does not cost us as much per piece as first-class mail.

I have asked these people to bring in this primary sorting case again which you see here on my right. You and I would probably call it a bunch of pigeon holes, but this is a case. It is a clerk's case and it is the primary case in New York City. It means in this case in New York City a clerk must use 49 holes—not 50 but 49 holes. So several States are put together but in one instance four States, four Southern States are put to-

gether and they are—Georgia, North Carolina, South Carolina, and Alabama.

After they are put in that particular pigeon hole, then they have to be sorted once more. Then after that they have to be sorted a second time. And then there is a third time.

In many instances first-class mail has to be sorted four times at the sending station. That does not happen to third-class mail. With third-class mail we are only concerned with it at the receiving or delivery stations.

Then let me show you what happens. I have here some IBM cards to give you an example of what happens at that station. These IBM cards happen to be for Buffalo, N.Y., for a particular third-class mailer. This third-class mailer happens to be stationed in Albany, N.Y. He sends to Buffalo and he sends to many cities in America the IBM cards and the IBM cards are sorted by the delivery carrier—by the carrier himself. He sorts these cards the way he walks the route. Then those cards go back to the third-class mailer and then the third-class mailer does that sorting exactly the way the carrier walks the routes.

So you see they have eliminated all of the steps of sorting in third-class mail. The postmaster general is authorized to do this—and absolutely requires it.

This is exactly what will happen not only on third-class mail but on second-class mail because, of course, they know where they are going to send their mail in third-class—they know the subscribers, in second-class mail and they may be required to sort to the carrier's route the way he walks it.

Now that certainly should be given a lot of credit. This is exactly what the gentleman from West Virginia [Mr. HECHLER] has neglected. Of course, I do not mean to criticize the gentleman from West Virginia because we are close personal friends. But I just wish that he was on the committee with us and that he had been there for the 9 weeks that I was there and that he had listened to all of the testimony. Then I think he would not have offered the amendment.

So, Mr. Chairman, I am opposed to the amendment offered by the gentleman from West Virginia and I favor the substitute amendment offered by the gentleman from Illinois [Mr. ANDERSON].

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from New York.

Mr. FARBSTEIN. Is the gentleman from Montana opposed to the bill?

Mr. OLSEN. I am in favor of the committee bill.

Mr. FARBSTEIN. You are in favor of the committee bill?

Mr. OLSEN. That is with the 3.8-cent minimum rate provision.

Mr. FARBSTEIN. And you are in favor of the substitute amendment offered by the gentleman from Illinois [Mr. ANDERSON]?

Mr. OLSEN. I am in favor of the committee bill.

Mr. FARBSTEIN. But you oppose the original committee bill; is that correct?

Mr. OLSEN. The original committee bill provided 3.8-cent minimum rate to be effective in January 1968.

Mr. FARBSTEIN. I understand all the details.

Mr. OLSEN. I introduced that bill.

Mr. FARBSTEIN. Did you favor the committee bill, by which the increases shall all go into effect on January 1; or shall go into effect in three stages over 3 years? Which do you favor as a member of the committee?

Mr. OLSEN. I am in favor of the committee bill that goes into effect in January.

Mr. FARBSTEIN. Then you are opposed to the Anderson amendment?

Then you are opposed to the Anderson amendment?

Well, now, which is it?

Mr. OLSEN. I am in favor of the committee bill and I am against the Hechler amendment.

Mr. FARBSTEIN. You said that before.

Mr. OLSEN. Thank you very much.

Mr. FARBSTEIN. How do you stand on the Anderson amendment?

Mr. CORBETT. Mr. Chairman, I rise in support to the Anderson of Illinois substitute amendment.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. CORBETT. Mr. Chairman, the Anderson substitute very strongly appeals to me because practically everything in this bill, particularly the provisions with relation to second-class rates, are phased out in order that the impact of a very high rate increase will not occur in one fell blow. It is bad enough to ask the users of third-class mail to pay \$232 million in addition to the \$225 million they are estimated to have spent putting in ZIP code procedures. This is very, very high.

It seems to me that if the Anderson substitute prevails, we can get rid of this vicious Hechler amendment in one fell swoop. That amendment, along with practically wiping out third class, has another really bad feature in it. It raises the rates for nonprofit organizations, for charitable, religious, and philanthropic organizations, by as much as 80 percent. Most of them simply would not be able to continue in business with this amendment. They so testified before our committee.

Likewise, as the gentleman from Illinois pointed out, the impact of the Hechler amendment would be felt primarily by small businesses that advertise with direct mail, by printing shops, by the employees thereof, and the like.

We must simply be reasonable when we are levying stamp taxes on the people. If it should prove in years to come, or even next year, that we have not raised the rates high enough, we can do it again. There is nothing to prevent this Congress from adding to rates if it so desires. But to propose right now an increase in third-class rates to 4½ cents is utterly preposterous.

I submit that the gentleman from West Virginia, who has stated he has studied these rates closely, should not have stood here as an authority and said that third class is the big loser. He recognized lately that he was in a bad position for not having advertised a Hechler amendment for second class. He came in here yesterday and proposed an amendment to increase the rates on about 45 magazines and 1 newspaper for any of

their editions over 500,000. That amendment prevailed.

But if he really wants to wipe out the deficit in the postoffice, he must do something to raise second-class rates, the same as he is trying to do with third.

Mr. Chairman, I do hope that we can go along with the Anderson substitute, adopt it, and get on with the business.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from New York.

Mr. HORTON. I wanted to ask a question of the gentleman from Pennsylvania with regard to the Hechler amendment. As I understand, many weekly newspapers use second- and third-class mail. One of my concerns has been that the increased cost of many of these small weekly newspapers might put them out of business.

Is the Hechler amendment so worded that it would affect adversely the small-town newspapers, these weekly newspapers?

Mr. CORBETT. Speaking for the gentleman, I think it applies not at all to the weekly newspapers.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Chairman, yesterday it was pointed out we were losing annually about \$426 million per year on second-class mail. How much are we losing on third-class mail?

Mr. CORBETT. I think right now about \$401 million, and this bill as written, when it is in effect, when it gets to 3.8 cents, will increase the revenue by about \$238 million.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, of course, when we are using that figure, we are using Post Office cost-ascertainment figures, that no one really accepts, not even the chairman of the Postal Rates Subcommittee, the gentleman from Montana [Mr. OLSEN].

Mr. CORBETT. I would like to say further, in conjunction with the gentleman from Illinois [Mr. ANDERSON] remarks, that when I said \$401 million, that included the loss of the preferential rates granted to philanthropic and nonprofit organizations.

Mr. ABERNETHY. Mr. Chairman, I will accept the gentleman's figures. I do not care whose figures they are, just so they are accurate, whether they be the figures of the Post Office or the gentleman in the well or the chairman of the committee. What are we losing, in the gentleman's opinion, on second-class mail?

Mr. CORBETT. Four hundred and sixteen million dollars.

Mr. ABERNETHY. How much on third class?

Mr. CORBETT. I would say, with the passage of this bill, approximately \$50 million.

Mr. ABERNETHY. How much of that goes to the philanthropic and religious organizations?

Mr. CORBETT. I do not know how much.

Mr. ABERNETHY. Why any subsidy at all to them?

Mr. CORBETT. Because it is a law that the Congress passed.

Mr. DENNEY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Nebraska.

(Mr. DENNEY asked and was given permission to revise and extend his remarks.)

Mr. DENNEY. Mr. Chairman, I thank the gentleman for yielding. I support the Anderson of Illinois substitute amendment and I oppose the Hechler of West Virginia amendment.

Mr. Chairman, before my colleagues vote on Mr. HECHLER's amendment, I feel they should have the benefit of a few additional facts concerning third-class mail, the cost incurred in handling it by the Post Office Department and its role in our economy.

First. It is my understanding that Mr. HECHLER's amendment will leave the single-piece rate the same as recommended by the committee. However, with respect to the "bulk rate regular" classification; that is, commercial mailings, he proposes a 4.5-cent rate whereas the committee would increase it to 3.8 cents. In terms of percentages, the committee bill would increase this rate approximately 20 percent but Congressman HECHLER's amendment would constitute a 60-percent jump.

Second. As the minority views point out, the figures on the cost of handling various classes of mail furnished by the Post Office Department left much to be desired. Third-class bulk is deferred service mail which can be handled during slack hours when all other categories of mail are out of the way. Thus, it makes a substantial contribution to the Post Office by bringing in cash income for fill-in work during periods when the plant is not operating at full capacity. My colleagues who were in business, I am sure can appreciate the favorable effect this has on overhead.

It is my understanding that this factor was not given much weight in assessing the cost of handling of this type of mail.

Third. The Government cost figures are not completely accurate in that they do not take into account the increased cost to mailers of approximately 20 percent for ZIP coding and presorting mailing by ZIP code nor do they show the reduction in post office handling costs for this contribution.

Fourth. I believe also we should seriously consider the effect such a dramatic increase would have on direct mail business establishments. Mr. Chairman, how many businesses are there that could stand a 60-percent jump in costs on its largest item of expense? If this amendment is adopted, once again, we have the Government going two ways at the same time. President Johnson is attempting to establish programs which will create jobs and should this amendment be enacted, it could very well result in the unemployment of hundreds of people.

Mr. Chairman, I know my colleagues share with me the concern that if the committee bill is adopted, first-class mail will be carrying 123.3 percent of its cost. However, under the committee bill, third-class mail will pay 90 percent of its cost.

But my main concern is this: If the Hechler of West Virginia amendment is adopted and drives the direct-mail advertisers out of business, where will businessmen advertise? The answer to me is obvious. Since businessmen have to advertise, they will rely more heavily on newspapers and periodicals. This will throw more advertising into our most heavily subsidized class of mailing, second class, which carries only 42.8 percent of its cost.

Mr. Chairman, it would be my hope that my colleagues take these facts into consideration when voting on the Hechler of West Virginia amendment.

Mr. UDALL. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I want to explain, as I see it, what is at stake here. I oppose the Hechler of West Virginia amendment. I oppose the Anderson of Illinois substitute for the Hechler of West Virginia amendment. In other words, I am suggesting we support the committee bill, because it is the fair and reasonable solution to this complex and emotional problem.

Right now the rate is 2.8 percent. That is the present rate. The committee increased it to 3.8, effective this coming January. That is 3.8 percent. The gentleman from West Virginia [Mr. HECHLER] says, 4.5 percent. He would place a rate of 4.5 percent in effect in January, all in one shot. The gentleman from Illinois [Mr. ANDERSON] says 3.8, the committee rate, is about fair, but let us give them 3 years to get adjusted to it.

Of those solutions, I think the right solution is to support the committee and adopt the 3.8 rate effective in January.

I came to this committee 6 years ago with the same ideas the gentleman from West Virginia [Mr. HECHLER] has about making all classes pay their way, that junk mail is an outrage, and so forth. The more I have seen of it, the more I have learned about it, the more I have changed my views. I do not play games with any third-class-mail lobbyists. I fought them in the committee. I fought against their phasing, and I talked frankly and openly to them.

Here is what I see is at stake. This is a form of advertising. It is a legal form. I do not like it, but it is legal. I do not like billboards, but they are legal. I do not like a lot of television commercials, but they are proper and legal. Sometimes I do not like third-class mail, but they have a right to send it, and the public and the taxpayers and the Members of Congress have a right to ask one thing. We do not have a right to put them out of business, and this is what the gentleman from West Virginia [Mr. HECHLER] is suggesting. We do not have a right to keep them from stuffing our mail boxes. We have a right to ask them to pay a fair rate and that taxpayers not subsidize them, so that people in newspapers and billboards and other advertising media are not put at a disadvantage by a tax-paid subsidy.

This is the test and the question here. It is the judgment of this Member, who sat through all these weeks of hearings and who has listened to the arguments of industry and who has talked on many occasions to the gentleman from West Virginia [Mr. HECHLER], and listened

to his testimony, that, when the committee rate goes into effect, we will have a 100-percent rate on third-class mail. They will be paying their share. They will be paying their cost.

The third-class-mail rate has been increased 188 percent in the past few years. In this bill, we are tacking on 33-percent more.

If the Members will look at the report, on page 17, they will see that the cost coverage, even under the Post Office system, which I question, will be at the highest point since 1926. The cost coverage of third-class mail will be at the highest point it has ever been.

How much further do Members want to go? Do they want to put legitimate people out of business because of emotional arguments, or do they want to be fair and make them pay 100 percent?

That is the real question. That is what the committee has done.

Do not be mesmerized by this cost accounting business. Simple cost accounting is not an answer to the rates. That is only the beginning. Even the Post Office Department's official publication on the cost accounting system says that it is a statistical cost accounting process and does not take into account factors other than cost which are generally to be considered in the adjustment of postal rates and fees under policies established by law.

That says the Congress, as the rate-making body, starts with the cost accounting.

The fellow who sits on a back seat in an airplane, who has paid the economy use fare, does not pay the same amount as the fellow who sits in the first-class seat, up in front, but if we applied cost accounting to the pilot's salary, it would cost just as much for one as it would for the other. The same would be true for the cost of the fuel. The cost of the ticket office would be the same. The only difference might be a couple of shots of booze and a little better lunch of some kind.

But the Post Office Department will say that cost accounting is only where one starts, and even there it is 80 percent with the committee bill. I say that any ratemaking body in the world will say that third-class mail will be 100 percent, if the Members support the committee.

On phasing, one can argue.

I believe the fair thing to do is to put this increase into effect in January. I have told the industry I believe they can live with it. I believe they have to live with it.

Let us not be punitive and try to destroy an industry.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

(Mr. DERWINSKI asked and was given permission to revise and extend his remarks.)

Mr. DERWINSKI. First, Mr. Chairman, before I get to the issue, I should like to tell the Members who are interested that the Red Sox are leading 1 to 0 in the third inning.

Mr. Chairman, I now yield for a question to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER of West Virginia. Mr. Chairman, I should like to ask the gentleman from Illinois what the current cost

coverage is under the committee bill for third-class mail?

Mr. DERWINSKI. If one assumes that the cost-ascertainment figures of your Post Office Department—"your" meaning the majority party Post Office Department—are correct, then, as the gentleman from Arizona just pointed out, the new third-class rate would cover the cost of handling.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield further?

Mr. DERWINSKI. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. By letter of October 5, 1967, from Assistant Postmaster General Ralph Nicholson, I was informed that the Post Office Department estimates that cost coverage under the third-class rates proposed by the committee is now 82 percent and not 100 percent as indicated by the gentleman from Arizona. The 82-percent figure includes the fact that postal salaries are being raised under the pending legislation, and also computed in the 82-percent figure are the savings as a result of ZIP coding by the third-class mailers.

Second, I was told my amendment would bring cost coverage up to 91 percent, when one considers the fact that the postal salary raises in this bill will drive up the cost.

Mr. DERWINSKI. But we are taking into account the public service feature.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Montana.

Mr. OLSEN. The really big item which is not taken into consideration on that particular 82- or 83-percent cost-coverage figure is the ZIP coding and pre-sorting. When one takes that into consideration there is conjecture, but that conjecture was not involved in the gentleman's figure.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman will yield, the ZIP code saving was taken into consideration in the October 5 letter from the Assistant Postmaster General.

Mr. OLSEN. Well, it was not taken into consideration in our figures.

Mr. HECHLER of West Virginia. The Assistant Postmaster General says it in writing. That is what he says in his letter of October 5, 1967.

Mr. DERWINSKI. May I have the microphone back? In just a minute I will yield again to the gentleman from Montana.

In the game, the score is now 2 to 1, St. Louis.

I want to apologize to my good friend from West Virginia [Mr. HECHLER], since a number of the speakers, including those who use this microphone, referred to his amendment in less than complimentary terms. Technically this is so, but should not be put in a personal sense. As a matter of fact, why should we in any way pick on poor Mr. HECHLER? We have to appreciate the fact that KEN is still a bachelor. Therefore, not having a wife who shops, he does not really appreciate the importance of third-class mail.

I ask you: What is junk mail? Junk mail is only a mail piece that you are not

interested in. The moment that the housewife picks up the mail and is told of a bargain and she is attracted to an advertising display, it is no longer junk mail but is welcome, profitable, and practical mail. So you have to appreciate the entire concept of the third-class-mail industry, which is to help sell products and to keep our economy moving.

The gentleman from Arizona, who is extremely eloquent, and the gentleman from Illinois, in an especially eloquent fashion, explained that an entire industry involved with printing, advertising, and sales, has been built up through the advertising-mail medium. You just do not cut it off in one fell swoop without a thoughtful, long-term approach to it. Despite all of the problems and preoccupations with the Post Office Department, you should know that the Hechler amendment, as well intended as I know it to be, actually does a great disservice to the Post Office Department, and to the broad and almost indefinable industry which is the American sales promotion system.

Mr. SCHADEBERG. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Wisconsin.

(Mr. SCHADEBERG asked and was given permission to revise and extend his remarks.)

Mr. SCHADEBERG. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the Anderson of Illinois substitute to the Hechler of West Virginia amendment and in opposition to the Hechler of West Virginia amendment.

Mr. Chairman, I wish to add my voice to those who oppose the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

It seems to me that we are losing sight of the objectives and aims of the Government's handling of the mail when we confuse revenue with service. I deplore any attempt by any group to punish the only people who actually provide this Nation with a gross national product—the entirety of American industry.

Let us remember that industry provides the taxes which keep this Government in business. Few, if any, of the companies throughout the Nation who would be forced to carry the additional burden imposed by this amendment would be forced out of business by an abrupt raise in postal rates. They would be forced to pass on the additional cost to the customers, thereby adding more fuel to the inflationary fire.

Let us not confuse the costs of a bureaucracy with the services essential to the maintenance of an efficient postal service. The two are no more comparable than an orange and an apple. I am not convinced that the increases proposed by the committee are entirely warranted, but I am convinced that the increases proposed by this amendment are unreasonable.

It is unfortunate that this bill lumps revenue and service together, as all of us have certainly seen sufficient evidence of a need for the upgrading of the postal service through more equitable pay scales for postal workers, and, because of this,

I will vote for the bill. However, I fail to see the need to penalize industry even further when it is already carrying an enormous burden which must pay for a war, give assistance all over the world, support a fantastically large poverty program here at home, and create jobs for our expanding population.

Mr. Chairman, I am pleased to associate myself with those Members supporting the substitute amendment offered by the distinguished gentleman from Illinois [Mr. ANDERSON].

This amendment offers the most reasonable approach to the difficult problem which faces us. While I would prefer the stability of postal rates which we enjoyed during the Eisenhower administration, I recognize the political fact that rates and raises have been lumped together in order to place Members of Congress right between a rock and a hard place. I feel that this amendment is a sensible effort in behalf of responsible government, and I certainly support it and urge its passage.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New Jersey.

Mr. CAHILL. Mr. Chairman, I recognize what the gentleman says is true as to some of the mail delivered to the household being useful. Also, as the gentleman points out, a lot of it is not. A lot of it is truly junk mail. I am wondering if the committee gave any consideration to any remedy the homeowner and householder would have in order to eliminate that part of the mail such as the outrageous pornographic literature which is sent out. My question is, did the committee give any consideration to any remedy on the part of the householder to eliminate that which they do not want?

Mr. DERWINSKI. Yes. Specifically referring to pornography, the gentleman from Nebraska [Mr. CUNNINGHAM] is the author of title III of this bill, which is aimed at pandering matter.

Mr. CAHILL. I mean any kind of material that is objectionable to the householder.

The CHAIRMAN. The time of the gentleman has expired.

(Mr. DERWINSKI asked and was given permission to proceed for 1 additional minute.)

Mr. DERWINSKI. Mr. Chairman, I wish to point out to the Members that with all good intentions of the gentleman from Arizona his strategy at the moment is a bit befuddled. May I say his argument against the Hechler of West Virginia amendment and for the committee bill is sound, but for the purposes of good strategy what we should do is first support the Anderson of Illinois amendment. If that carries, then we can still reject it. I do not think it is practical, if you are opposed to the Hechler of West Virginia amendment, to risk a parliamentary bind. The logical thing is to support the Anderson of Illinois amendment, which is a progressive step. Then you have immediately foreclosed the Hechler of West Virginia amendment, which is really a regressive step.

One other point I wish to emphasize. I think this is the heart of the entire

argument. You must remember you are dealing with a situation which is far greater in impact than the limited picture in a postal rate bill. You must take that into account.

Mr. CUNNINGHAM. Mr. Chairman, I rise in support of the Anderson substitute and in opposition to the Hechler amendment.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Briefly.

Mr. CAHILL. I thank the gentleman. I did not receive an answer to the question I asked of the gentleman from Illinois. I wonder if the chairman of the committee or the gentleman in the well could answer that question.

Mr. CUNNINGHAM. What was the question?

Mr. CAHILL. The question is "Did the committee consider any action that the homeowner and the householder can take to get rid of third-class mail that they do not want?"

Mr. CUNNINGHAM. Well, you can always send it back to the Post Office Department. That privilege is contained in the law. However, I must proceed.

Mr. CAHILL. Mr. Chairman, if the gentleman will yield further, is that the committee response?

Mr. CUNNINGHAM. I have several points to make, and if I have any time left, I shall be glad to respond to the gentleman's interrogation.

Mr. Chairman, I think one thing that ought to be brought out here is the fact that if the Hechler of West Virginia amendment is adopted we would have a compression of rates. At the present time the third-class mailers have to do all of the work that the Post Office Department would ordinarily do, including mandatory ZIP coding, presort, sack and deliver to the post office and there are other steps they must take at their expense.

It is my recollection that the cost to the third-class mailers was something like \$174 million in the change over demanded by the Post Office Department. This is a continuing and tremendous expense which the third-class mailers must absorb. So, if you adopt the higher rates as proposed by my dear friend, the gentleman from West Virginia [Mr. HECHLER], there would be such a little difference between those rates and first-class rates that these mailers, many of them, would go to sending their mail by first-class and thus they would not have all the additional work and expense which they now must do.

If this happens, the Post Office Department will be required, it has been estimated, to employ an additional 200,000 clerks and letter carriers in order to handle this load that would arise if these third-class mailers, with the little difference between what the Hechler amendment costs would be and the first-class rates—if they go to first-class rates which I think many of them would do—it would cost the Post Office Department a tremendous sum of money. I thought that fact ought to be brought to the attention of the members of the Committee.

Mr. Chairman, someone has mentioned "lobbyists." I have been here for 11 years. I might say that in all of my

life I have never been influenced by lobbyists and in all of my time here I have never had a fund-raising dinner. So, lobbyists do not bother me. But there are a lot of lobbyists. When we went to the various committee meetings we had at least 50 lobbyists were hanging around the door as we went into the meeting, lobbyists who hoped to pull us one way or the other. But, I do not think we ought to bring in this matter of lobbyists on behalf of third-class mailers because the second-class people are the real potential lobbyists. I have been trying to get increases in second-class rates and have succeeded, to a limited degree. I supported the gentleman from West Virginia [Mr. HECHLER] yesterday in his effort to obtain a modest increase in second-class rates, after my more severe proposed increase in second-class rates was defeated.

But, if anyone wants to talk about lobbyists, one can look as I have mentioned to the second-class mailers. That is where one will find them, but not in the third class.

What we are doing here—and in order to make it simple and understandable—is this: In the subcommittee we had 8 weeks of hearings and then had the markup of the bill. Third-class increase in rates was phased out over a 3-year period just as the other classes of mail were phased. When it got to the full committee, it was changed to take effect all at once.

So, what we are simply saying here, if we adopt the Anderson substitute amendment, is that we want to treat the third-class people just as we are treating the other people and phase their increase out over a 3-year period.

Mr. OLSEN. Mr. Chairman, I would like to have some understanding as to how long we will proceed on this particular amendment.

Mr. Chairman, I ask unanimous consent that all debate on the Hechler of West Virginia amendment and on the substitute amendment and all amendments thereto close in 20 minutes.

Mr. SNYDER. I object, Mr. Chairman.

Mr. JONES of Missouri. I object, Mr. Chairman.

Mr. HERLONG. I object Mr. Chairman.

Mr. OLSEN. Mr. Chairman, I move that all debate on the Hechler of West Virginia amendment and on the substitute amendment and all amendments thereto conclude in 30 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Montana [Mr. OLSEN].

The question was taken; and on a division (demanded by Mr. SNYDER and Mr. JONES of Missouri) there were—ayes 65, noes 38.

So the motion was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. SNYDER moves that the Committee do now rise, and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky for

5 minutes in support of his preferential motion.

(Mr. SNYDER asked and was given permission to revise and extend his remarks.)

Mr. SNYDER. Mr. Chairman, I want to apologize to the members of the committee for having to use this method to secure 5 minutes, but I feel as though there has been plenty said here in opposition to the Hechler amendment, so those of us who want to say something that might be in favor of it should be given that same consideration without having to speak so hurriedly.

Mr. Chairman, this is a matter that the gentleman from West Virginia has given a lot of time and effort to, and I believe that the arguments of the proponents ought to be heard.

The only thing I would really disagree with the gentleman from West Virginia about is that he says the public does not have any lobby here. I would suggest that the reason I have to take the well of the House today is because they have had a lobby on this particular subject, and his name has been KEN HECHLER.

I, like many Members of this House, send out a questionnaire. I sent out a questionnaire to the people of my district early in the year and I asked a question that had nothing at all to do with bulk mail or third-class mail or junk mail.

The question was this: "Would you vote for the President's proposed increase in postal rates to reduce the postal deficit?"

Over 25 percent of the people who answered that questionnaire—of their own initiative—wrote comments like this and I would like to read to you a few excerpts.

One wrote:

Why not discontinue low rates for junk mail? High rates would discourage such mailings, I hope.

Another wrote:

Raise the rates on junk mail only. I know from personal experience as a letter carrier that the Post Office caters to bulk mailers at the expense of first-class mail.

Another person wrote:

Do away with all of the junk mail. Our mailbox is crowded with this stuff . . . It goes into the garbage can. The advertising lobby is responsible for putting this over with their influence.

Over 25 percent of the people took it upon themselves to speak out on what they regard as "junk mail".

One particular constituent, I might say, and I have permission to use his name, T. A. Hamilton, bundled up his bulk mail that he received over a period of 2 or 3 weeks and put \$1.55 worth of postage on it and sent it to me.

It included—three neckties, two throat lozenges, a plastic thermometer, a package of Christmas cards, a recipe book, a gasoline credit card, numerous catalogs and coupons, and a set of gummed stickers with prayers printed on them.

Gentlemen, I suggest to you if these people can send so many give-away items, they ought to at least pay their own way. The point has been made here that this is penalizing business. The truth

of the matter is that postage is deductible from their income tax and most of the corporations are in the 52-percent income tax bracket. So they are really only hurt to the extent of one-half of the increase that the gentleman from West Virginia [Mr. HECHLER] proposes.

I feel that his argument about free enterprise not being subsidized in regard to billboards and TV advertisements and things of that nature certainly is somewhat compelling and we should consider it.

I am not here because I have any bone to pick with any of these people. As a matter of fact I am somewhat in the position of the gentleman from Maryland. I have had some financial contributors to my campaign who have talked to me in opposition to my position. I do not know whether the gentleman from Maryland [Mr. LONG] was actually able to sell \$100 tickets to the gentleman who called his office yesterday—he did not tell us that. But I would say that I have some contributors who do contribute to my campaigns, but I must speak for the majority of my people on this issue.

I am here telling you this now because the mail I received as a result of the questionnaire and the ensuing news-story about the questionnaire. This matter brought me more mail during that period of time than did Vietnam.

I would say that in total, this has been the second largest source of mail—second to Vietnam.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. SNYDER. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Is it not true that the gentleman has heard from some of his constituents who have also been pressured by the direct mail organizations to write letters against my amendment?

Mr. SNYDER. Yes, there was a news-story at the time of the questionnaire which produced a lot of mail. I may say more of it, by far, was in favor of the Hechler amendment than opposed to it.

A couple of mailing houses in Louisville and Cincinnati both of which have residents in my congressional district, did get their people to write. I got some 30 letters, and since the gentleman has brought that up, I would like to read one of them, and about 12 of them went like this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HERLONG. Mr. Chairman, I rise in opposition to the preferential motion and will yield to the gentleman from Kentucky [Mr. SNYDER] if he wants to read that one letter.

Mr. SNYDER. I thank the gentleman and appreciate it so much.

The letter is as follows:

JUNE 30, 1967.

HON. GENE SNYDER,
House of Representatives,
Washington, D.C.

MY DEAR MR. SNYDER: I am writing in regard to the bill H.R. 99 on postal rates for 3rd class mail. My understanding is that the rates would be increased in an attempt to get rid of a lot of junk mail and obscene literature. While I personally feel this would be a

very good thing, the company I work for says it would affect us a great deal should it be passed. Therefore we were given orders to write letters to our Senators and Congressman in an attempt to stop this bill. We were also given free envelopes paper and postage with our orders. Since I resent being told I have to do something. I am writing contrary to company orders for, not against this bill.

Sincerely,

Mr. HERLONG. Mr. Chairman, I wish to state at this time that I do not believe that what we are talking about is junk mail. It is valuable mail, as the gentleman from Illinois has so well stated.

But let me give you a personal example to demonstrate what I mean. A few years ago I was running for reelection to Congress. At that time it so happened that my family were owners of the Herlong Lincoln-Mercury Agency in my hometown. With that name prominently displayed, they engaged in a lot of this bulk-mail advertising.

About a week or two before the election, a number of people bundled these advertisements that the Herlong Lincoln-Mercury Co. had sent out and sent them back to me. They said, "Is this what you are doing—what you are advocating? You are asking for our vote for Congress when you are doing this?"

Immediately when I received this bundle I called up the manager of our place and asked, "What do you mean by sending out this type of advertising?"

He said, "Let me tell you something. Dollar for dollar we get more value out of this type of advertising than any other type of advertising that we do."

I said, "Well, that is just fine. If you get more value out of it, my friend, you ought to pay for it."

Now, people are sitting around here with their hearts bleeding for these businesses that are "going out of business." Let me say they are not going out of business. It is the best paying enterprise in the advertising field, and I do not see any reason why they should not pay the proper postage like everyone else. They admit it is worth it to them. Why should the rest of the taxpayers subsidize them?

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I think the gentleman knows, since I talked with him previously, that the Reader's Digest, which is subsidized by around \$400,000 on their postage, has now gone into the direct-mail business to sell merchandise. Four times in the month of September I received literature from the Reader's Digest, which I hold in my hand.

These were two identical mailings indicating that my name is on their mailing list twice. Mailed from Rutland, Vt., under a bulk postage rate, third class, it carried Pleasantville, N.Y., as the return address of the Reader's Digest. They were trying to sell me some merchandise in the form of the Reader's Digest record albums and their great encyclopedic dictionary. But they also said that I had been selected as one of the lucky persons in the Arlington area

chosen to receive not one, but two lucky numbers in their national lottery. I was not only lucky on one occasion but I got four numbers that month.

But then I confused their computer. They sent two envelopes on which the statement appeared, "Do you want the encyclopedic dictionary? If you do, enclose the lucky numbers in the envelope that says "Yes." If you do not want the encyclopedic dictionary, enclose the stamp in the "No" envelope.

I took the "Yes" envelope because I knew that my lucky numbers would not be opened if it came to them in the "No" envelope. I know it would have been thrown in the wastebasket. I mailed my lucky number in the "Yes" envelope, but I wrote on the outside, "Yes, I want to get in on the free deal but I don't want your merchandise. Don't send it to me."

On the particular one which I sent in in that way they were selling records. Although I did not order the records, in a few days here came a bunch of records from the Reader's Digest, which is now getting into the merchandise business. They are using this bulk-mailing third-class rate to get into that kind of business. But they are not alone. Most of the major oil companies as well as other magazines have gotten into the lottery business to sell merchandise, unrelated to their regular business.

The Reader's Digest is a fine magazine. I read it all the time, as I am sure most of you do. But I do not believe they have any business getting into merchandising, and particularly operating a lottery, which is against the law. The Post Office Department is not only permitting them to carry on a lottery through the Post Office Department but is helping by permitting them to use third class bargain rates to distribute the lottery tickets. I was in the newspaper business at one time and their regulations were so strict at that time that I could not even report who won a lottery, let alone advertise it. I could not even carry a news item informing the public as to the winner of a drawing at the county fair.

Now, Mr. Chairman, the Post Office Department is a party to the lottery by permitting the distribution of lottery tickets at third class postage rates, as well as the "come on" gimmicks that go with it.

I would respectfully suggest that the Postmaster General have someone to check into the conduct of these lotteries to see if the "No" envelopes are opened and the lottery stubs checked to see if the person mailing in the stub "has been a winner" as the advertising material suggests.

Mr. Chairman, I think the Hechler amendment should be adopted as it will raise more revenue and cause third class mailers to pay their share.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that the preferential motion be withdrawn.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MEEDS].

(Mr. MEEDS asked and was given permission to revise and extend his remarks.)

Mr. MEEDS. Mr. Chairman, I rise in support of the constructive amendment offered by my colleague, the gentleman from West Virginia [Mr. HECHLER.]

His proposal is simple and to the point. It seeks to close the deficit gap generated by the tons and tons of third-class mail wedged into American mailboxes.

Third-class mail is presently accountable for \$401 million of the Post Office deficit.

While I applaud the committee for bringing out a bill that would retrieve an additional \$234 million, I feel that we can do better.

Since first class and airmail are already paying their own way, there is no reason why we cannot boost rates on third-class mail, which is currently paying only 62 percent of its handling costs.

Mr. Chairman, we are talking about a difference of \$136 million in the Hechler of West Virginia amendment, and the committee bill. I think it is a good thing in these times that we think about what can and should be done with \$136 million. The Hechler of West Virginia amendment is still calculated only to cover 91 percent of the cost of third-class mail. The Hechler of West Virginia amendment would bring in \$370 million of revenue. I think we should stop and think about this difference.

For \$136 million, Mr. Chairman, we would be almost equal to the appropriation we have approved for the Library Services and Construction Act.

This amount would be twice what we have allocated for air pollution control.

The \$136 million is 2½ times greater than the funds we gave to educational services for handicapped children.

It would be three times greater than the sum we authorized for rat control.

And \$136 million is six times greater than what we appropriated for highway safety and twice the amount for demonstration cities.

Since the Congress has determined to cut spending in many areas, it might be helpful if we had more revenues to support existing programs.

We can acquire more revenues if we approve Mr. HECHLER's amendment to put third-class mail on a pay-as-you-send basis. I think the Hechler of West Virginia amendment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RUPPE].

Mr. RUPPE. Mr. Chairman, I would like to point out my opposition to the Hechler amendment and opposition to the amendment offered by the gentlemen from Illinois. The committee has done a responsible job in increasing postal rates for second- and third-class publications. Yet, there is no reason why, under the Hechler amendment, the third-class mail user should have to pay not 100 percent but, after public service, well over 100 percent of the cost of mail service. We cannot levy a 67 percent increase in third-class rates while second-class rates are increased only 26 percent and cover only 45 percent of the cost of service.

The gentleman preceding me talked about gaining \$130 million additional revenue for the service. That is true. But we should not forget that the committee raised third-class rates well over \$200 million annually, a 28 percent increase to take effect January 1, 1968.

We must not just consider the revenues to be gained by increases imposed upon second- and third-class publishers. Rather we must consider the users of these services. With adoption of the Hechler amendment, we would, in effect, be stating that advertisers who are national in scope and can use national magazines or major city newspapers should pay for only 45 percent of the cost of distributing their advertising while the local hardware store or drugstore would be compelled by the Hechler amendment to pay well over 100 percent of the distribution cost of advertising. This amendment would be unfair, unjust, and potentially ruinous to thousands of small businesses throughout America.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VAN DEERLIN].

Mr. VAN DEERLIN. Mr. Chairman, I rise in opposition to the substitute amendment. After all the unkind things I have heard and read in recent months about third-class mail, I came to the debate yesterday to discover, if possible, what redeeming social importance makes it worth a subsidy ranging from \$50 to \$200 million in public funds. I learned the answer, in part, was that this provides make-work for postal clerks during the slack hours, during times they might otherwise be playing cribbage or listening to the World Series.

I checked with my San Diego city post office this morning to ascertain whether this was indeed true. I was advised that more than twice as much time is required to process large-size envelopes of flat mail and the sample packages that commonly go third class.

In the San Diego office, officials figure each clerk can handle 1,042 pieces of letter-sized mail per hour, most of it first class, but only 714 of the large third-class "flats" and only 475 of the packaged third-class samples that clog our postal system.

Roughly the same ratios apply in the "casing" of mail by individual carriers. Business in the San Diego Post Office is predicated on the assumption that a carrier can case 18 letters per minute, more than double the bulk mail average of eight pieces.

I was also advised that bulk mail is generally harder to handle than first class, and is the cause of more industrial accidents.

Rather than being just an incidental activity, then, it is clear that the processing of bulk mail has become a major—and expensive—function of the post office.

(Mr. VAN DEERLIN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. WYMAN].

(Mr. WYMAN asked and was given permission to revise and extend his remarks.)

Mr. WYMAN. Mr. Chairman, I rise in support of the Anderson substitute. I want to make just one point, which is that the committee after long hearings has recommended 3.8 cents. They did not recommend 4.5 cents. I think the committee's recommendation is entitled to the credence that is its due.

Even the 3.8 cents increase is 32-percent increase for this class of mail service. The gentleman from Illinois [Mr. ANDERSON] says, "Let us stretch it out." There is no doubt the impact at one fell swoop will hurt these businesses. The impact of this will be very adverse upon them economically. I think they are entitled to the stretchout which the Anderson substitute proposes, and I support it.

Mr. CLEVELAND. Mr. Chairman, will the gentleman yield?

Mr. WYMAN. I yield to my colleague, the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Chairman, I support my colleague and the remarks he made.

Mr. Chairman, I rise in support of the Anderson of Illinois substitute and concur with the position of my distinguished colleague, the gentleman from New Hampshire [Mr. WYMAN], and thank him for yielding.

The arguments of the distinguished gentleman from Illinois [Mr. ANDERSON], as he has eloquently and logically presented them, are clearly entitled to support. All he is asking for is reasonable time for users to adjust to substantial increases in third-class rates.

It seems to me that his position is based essentially on considerations of fairness and basic economics affecting numerous and significant groups such as small businessmen, nonprofit, civic and religious organizations. I am concerned that the logic and fairness of my colleague's position seems to be falling victim to misstatements or misunderstandings wrapped up and lumped under the label, "junk mail."

It is regrettable that we so often find ourselves legislating by lump and by label. On the facts we have here, I submit Mr. ANDERSON's substitute should be approved.

(Mr. CLEVELAND asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Chairman, I rise in opposition to the Anderson of Illinois substitute and in support of the Hechler of West Virginia amendment.

The net effect of the Anderson of Illinois substitute is to make a bad situation, stretched out, even worse over a 3-year period.

A great deal has been said about what it is going to do to small business. I have a news release from the National Federation of Independent Businesses, Inc., dated June 5.

In a poll taken all over the United States, small businessmen reported that 82 percent favored an increase in the rates for third-class mail.

In my own State of Florida the figure was 82 percent for increasing third-class rates, 13 percent opposed, and 5 percent undecided.

In every State in the Union the small businessmen who were polled favored this increase.

I believe, as pointed out by my colleague from Florida [Mr. HERLONG], that this is big business. These people do make a profit from this. They are entitled to pay their own way the same as the first-class and other types of mail. I certainly hope we will not stretch out the bad situation we already have over 3 years and that we will go ahead to adopt the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RIEGLE].

(Mr. RIEGLE asked and was given permission to revise and extend his remarks.)

Mr. RIEGLE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from West Virginia [Mr. HECHLER]. I do not believe we can afford to continue the present \$400 million loss on third-class mail, when we are having to tighten our belts to fight the war in Vietnam and have many serious problems at home to solve.

Tax money must be used for the most important things, and subsidizing junk mail is something I do not believe we can afford. The people are tired of seeing their tax dollars used to subsidize the delivery of junk mail, much of which they do not want and do not read, and which usually goes directly from their mailbox to their wastebasket.

This amendment will generate a minimum increase in revenue of \$136 million. This is money we need and could better spend in other areas.

I support the amendment offered by the gentleman from West Virginia [Mr. HECHLER] on that basis.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. STRATTON].

(Mr. STRATTON asked and was given permission to revise and extend his remarks.)

Mr. STRATTON. Mr. Chairman, I rise in opposition to the Hechler of West Virginia amendment, and in strong support of the Anderson of Illinois substitute, which would apply the third-class rates provided in the committee over a longer, phased-step period of time. It is a little surprising that in a body like the House of Representatives, where so many of us rely on a third-class mail, postal patron approach for sending out newsletters and questionnaires, there seems to be so much opposition to the use of third-class mail by others and so much reference to this as "junk" mail. Perhaps we ought to begin to realize that what we are talking about is an industry and people and jobs are involved and we ought to consider them before we vote.

I happen to have a mail-order establishment in my home city of Amsterdam. Let me point out that this was a city which for years was in desperate economic straits, because some 12,000 jobs in the carpet mills had moved out. An effort was made to try to bring new industry into the community, and to expand existing ones. As a result of these efforts our mail-order operation has increased and now employ several hundred people.

We all know that when costs go up production goes down. If we are going to make it more costly for these mail-order people to operate, then we are certainly going to take some jobs away from them. Does it make sense to take jobs away from a community which is trying to help itself, and which has received Federal aid for that purpose?

Mr. Chairman, I am not against an effort to have third-class mailers carry their fair share of the costs of our mailing operations. But the Hechler of West Virginia amendment goes far beyond all reasonable limits.

Since 1951, third-class rates have already been raised 188 percent, while second class went up only 181 percent and first class rose only 66 percent. Now the gentleman from West Virginia would raise third-class rates still another 56 percent over these previous increases.

This would be sheer discrimination against a legitimate business operation, a burden far beyond what the committee itself determined was fair, and proper.

Incidentally, this bill also provides pay increases for postal and other Government employees. I think it ought to be pointed out that many of these mail-order businesses provide off-duty employment for postal employees. We all know these employees need better wages. Are we then going to wipe out these jobs that are available to supplement the incomes of those we maybe want to help?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. LATTA].

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Chairman, it grieves me deeply to have to disagree with my good friend the gentleman from Illinois [Mr. ANDERSON], but I cannot support his substitute and I must support the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

Next to Vietnam, one of the most serious problems this country faces, without question, is the fiscal crisis. By the amendment offered by the gentleman from West Virginia we have an opportunity to increase revenues by \$136 million annually.

My good friends, in the next few days we are going to hear more about the struggle between the Congress and the President over reducing costs and increasing revenues, et cetera. It seems to me if the Congress is going to be consistent with its stated position it will support the amendment of the gentleman from West Virginia [Mr. HECHLER]. By so doing we will also do the people a favor by relieving them of some of the cost of subsidizing third-class mail users.

I agree with the statements made that this is big business and they do make profits by using third-class mailing privileges. I do not believe it is fair for the users of first-class mail to continue to subsidize these profitmaking businesses.

I also object to the provision in this bill which would cause the creation of a Commission to increase salaries of certain Government employees—including Congressmen—every 4 years.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CAHILL].

(Mr. CAHILL asked and was given permission to revise and extend his remarks.)

Mr. CAHILL. Mr. Chairman, I asked for this time because I understand the gentleman from Arizona [Mr. UDALL] is prepared to make a statement in response to the question I asked. For the benefit of the committee, I would like to say the question is this: What, if anything, has the committee considered and what did they recommend for assisting the householder to reject mail which is truly junk mail which they truly do not want?

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I yield to the gentleman from Arizona.

Mr. UDALL. The committee has given this a lot of consideration over the years. There is no foolproof system. There are under consideration a number of bills in this field. The problem is that 90 percent of the people do not resent receiving it. They like it. Maybe it is the only letter that a patron gets if she lives on a rural delivery route. She is glad that people know she is there. Other people are vehemently against it. One idea is to have the Cahill blue eagle distributed. You put it on your mail box, then they do not deliver it. The other idea is to write to the mailer who is sending this mail and ask that your name be removed from his list. Then when he receives your letter he is required to take your name off the list.

There is another amendment that one gentleman is going to offer.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Missouri [Mr. JONES].

(Mr. JONES of Missouri asked and was given permission to revise and extend his remarks.)

Mr. JONES of Missouri. Mr. Chairman, I would like to continue a little bit along the same line as when the gentleman from Florida [Mr. HERLONG] yielded to me a while ago. I think the Reader's Digest will support the Hechler of West Virginia amendment, because editorially and through their articles and in every other way they have indicated that they are against all of the farm subsidies and other subsidies. They are among those getting the greatest subsidy of the national magazines. Therefore, I feel sure they would support this amendment.

I would like to know, has anybody heard from the Reader's Digest saying that they are opposed to getting any of this subsidy? Has any member of the committee heard from them? I presume they have not. So the Reader's Digest and I guess all of the other big magazines are opposed to other subsidies, so they would also be opposed to a subsidy for themselves. I hope they will help to support this.

Incidentally, Mr. Chairman, I will vote against this bill unless we can get it divided up and have a chance to vote twice on it. If that amendment is offered, I want a chance to vote on that.

I hope we will get a chance to get on record on it.

This "shotgun marriage" has taken a lot of nerve on the part of those who say they will not give us an opportunity to vote on postage rates which have needed revising for some time, unless we are also willing to vote for pay increases for some classes of employees which are unwarranted.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. McCLURE].

Mr. McCLURE. Mr. Chairman, I want to raise just about three points in the brief time allocated to us.

To those of you who felt a little badly that the time was limited I can only say "Welcome to the club." The time was more severely limited in the committee. If you think we have not discussed all of the ramifications of the bill on the floor, I can assure you that we have not done so in the committee.

I would like to correct one misstatement which was made a moment ago in a remark by the gentleman in the well that congressional mail goes out under this provision of the law. It does not. Congressional mail, if it is properly so, goes out as first-class mail and is not affected by this section of the bill.

I would point out again, as I attempted to do in the committee and on the floor, that we are guessing as to what these figures are with respect to cost coverage. The gentleman from Arizona mentioned the fact that under the bill being presented to us third class will be brought up to 100 percent of cost coverage. The gentleman from West Virginia said under his figures it is 83 percent. This is the figure given by the Post Office Department, but we are merely guessing as to whether or not this is correct.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, I have only one additional observation with respect to the remarks I made awhile ago. There seems to be considerable controversy about what this does toward making bulk mail pay its own way. According to the letter that the gentleman from West Virginia got from the Assistant Postmaster General, if the Hechler of West Virginia amendment is adopted and if the pay increases in this bill are adopted, third class will pay 91 percent of its way. I would say that those who disagree with that are disagreeing with the Post Office's method of figuring what the costs are.

The only thing I can say about that is that I have no way of knowing whether they are right or wrong. However, they are the best estimates we have submitted to us by the people employed to do these things. If there is a better or more accurate figure around, I think the committee ought to come up with it.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Michigan.

Mr. RUPPE. I would like to point out the fact to the gentleman from Kentucky that this figure of 91 percent is before "public service" is included. In other

words, "public service" should be added on to it and thus it would come to substantially more than 91 percent, with that feature added.

Mr. SNYDER. The letter says that it does include the ZIP code feature.

Mr. RUPPE. But not "public service." The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. CUNNINGHAM].

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Chairman, we can kick this around the lot, but the plain fact of the matter is that the newspapers who want a monopoly upon all advertising have turned to junk mail and have editorialized thousands of times upon the thousands of dollars which it costs the taxpayers of this country to handle. They simply want to destroy the competition.

Mr. Chairman, I make the categorical statement that third-class mail in this bill pays 100 percent of its way when one considers all of the costs involved that they are required to bear in preparing their mail.

Mr. Chairman, I wonder where many Members were yesterday when I tried to increase the second-class rate upon these people who are getting by with the biggest steal in the postal rate system?

And I might say in conclusion that there are many senior citizens who have no friends or relatives with whom they can correspond, and their life is lonely, their morale is low. They look every day in their mailbox to see if they receive any mail. The only mail they receive is this advertising mail. And, boy, that gives them a big thrill. They read it from cover to cover. It helps them a great deal to consume the time which they have on their hands in their senior years.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I take this time only to remind the managers of this bill on the majority side that when you appeared before the Committee on Rules and asked for 2 hours of general debate on this complicated and far-reaching bill, there was the understanding that there would be no attempt to unduly cut off debate during consideration of amendments on the floor. I simply want to offer a reminder that the Members of the House have a right to expect ample time for the consideration of amendments, in view of the limited amount of time that was granted for general debate on a combined bill of this enormity.

Mr. Chairman, I have no desire to prolong consideration of this bill, but I hope you will not in the future cut off debate arbitrarily.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. JOHNSON].

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Illinois [Mr. ANDERSON].

The CHAIRMAN. Is there objection to

the request of the gentleman from Pennsylvania?

Mr. TALCOTT. Mr. Chairman, I object.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Illinois.

(Mr. ANDERSON of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Chairman, I take this time merely to remind the members of the Committee of the Whole House on the State of the Union that the substitute amendment which I have proposed, if adopted, would do no violence to the rate structure that has been very carefully and conscientiously worked out in this bill by the members of the Committee on Post Office and Civil Service.

Mr. Chairman, this is something quite different from the amendment which was offered by the gentleman from West Virginia [Mr. HECHLER] whose amendment would increase these rates to the extent of 56 percent, as against the proposed general increase of 32 percent which under my amendment I am proposing to phase over 3 years. In other words, the Hechler of West Virginia amendment would increase the rates for nonprofit organizations up to 80 percent. Now, I ask the members of the Committee to go home and explain that action to the members of the parent-teachers' association, the church groups, and the various civic groups and clubs that use bulk mail.

Mr. Chairman, I am not proposing to do any of those things in the substitute which I have proposed. I am merely suggesting that in fairness and equity we abide by what we said we would do in 1958 when we passed the Postal Policy Act which stated that we would give consideration to the impact of any rate increases which would have a bearing upon business.

Mr. Chairman, I can sympathize with the distinguished gentleman from Ohio [Mr. LATTI] who does not want to see any segment of the American business community given an unfair subsidy by the taxpayers of this country.

However, I repeat again that the assertion that the cost coverage of third-class rates is only some 66⅔ percent is based on highly questionable methods of accounting.

This is based upon cost ascertainment data that has been repudiated even by members of the Committee on Post Office and Civil Service. I have a statement here which I took from the record of these hearings by a man who ought to know what he is talking about. He is the former dean of the Business School of Ohio University. He has a Ph. D. degree in differential cost accounting, and here is what he said:

Assurances that third-class mail revenues were covering less than 70 percent of the cost are based upon cost accounting methods which are now recognized by many recognized authorities in this field as being misleading.

So do not be taken in by all of these percentages that have been floating around here so very glibly by the gentleman from West Virginia and others.

There just is not the proper cost accounting foundation for the charge that this industry is getting this tremendous subsidy.

Let me also say I can sympathize with the gentleman from Missouri [Mr. JONES], that he received some phonograph records he did not want through the mails, but let us take another analogy—

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Yes, I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. As I understand it, Harper's and Atlantic Monthly are just two of the publications which enjoy a second-class mailing privilege. A privilege, incidentally, which produces, if you are going to use Mr. HECHLER of West Virginia's figure, a \$401 million revenue deficit. The same mailing privilege under second-class mail goes to Playboy and to all of the girlie magazines, and everything else in that category, but I have not heard anybody suggest that because they did not approve of this or that or some other publication that we should just wipe out second-class mailing privileges.

Well, it makes just as little sense, in my opinion, to say because a Member has had an unsatisfactory experience with a third-class mailer that in one fell swoop we should lower the boom and decapitate an industry that is producing business in this country that is important to the welfare of the printing industry, as I have pointed out, that employs thousands and thousands of people in this country.

All we are asking is that you give this industry some time to absorb the impact of this 32-percent increase that otherwise would go into effect in January of 1968. That is all the substitute amendment will do, and I urge support for the substitute amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GREEN].

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Pennsylvania. Yes, I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, before the debate concludes, I want to reiterate my solid judgment and opinion on this question of subsidies. The committee bill will end third-class subsidies and will bring this class of business up to 100-percent rate, so I do not believe there will be a subsidy any longer. That is my judgment and opinion.

I concur in what the gentleman from Illinois [Mr. ANDERSON] has said with regard to the cost accounting system because the Post Office Department itself says that it is not to be used for recommending changes.

Mr. Chairman, it is my judgment that the committee has done the best job that could be done. I agree with what the gentleman from Illinois has said today,

that this is not aimed just at the big business people, it is aimed at the non-profit people, the churches, and the PTA, and the like. One of the biggest churches, and I believe the Members from the northeastern section of our country will be interested in this, would have an \$18 million increase added to the cost of their mailing under the Hechler of West Virginia amendment.

Therefore, Mr. Chairman, I strongly urge the members of this committee to vote down the Anderson of Illinois substitute amendment and to vote down the Hechler of West Virginia amendment, and stay with the opinion of the committee that it is a sound position and deserves their support.

Mr. GREEN of Pennsylvania. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. SCHERLE].

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. Mr. Chairman, I yield to the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the author of the Anderson of Illinois amendment if he can tell the committee how much his amendment will cost the Government? As I understood the debate yesterday, the increase in postal rates will come within \$4 million of meeting the additional increase in wages that this bill will cover.

Now, if we spread out the increased rate on this bulk mail, and collect it piecemeal over a 3-year period, how much will that leave this package bill short of meeting the increased expenditures?

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. Yes, I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, I have here the committee print explaining the revenue impact of the committee bill, and they give \$234 million as being the amount of revenue that would be raised by the changes that they have proposed for third-class mail. This would split the \$234 million over 3 years. That is the best answer I can give to the gentleman's question.

Mr. HARSHA. How much would that leave us short the first year and the second year?

Mr. UDALL. The first year \$117 million would be lost, according to the figures I have. The Hechler of West Virginia's amendment would supposedly raise that much—but it will not.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. THOMPSON].

(Mr. THOMPSON of Georgia asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of Georgia. Mr. Chairman, I rise in support of the substitute amendment.

Mr. Chairman, I only wish that all Members had the opportunity to be in the full committee hearings, as I was, in order that they could have gone into

this matter thoroughly because we did go into this matter thoroughly.

One thing that distresses me about the committee action is that we were not fair to third-class mailers in phasing. We phased second-class mail and it is only fair and equitable to give the same treatment to third-class mailers.

We had a motion to reconsider this. It required a majority of the Members to sign it, and we did not get it.

But basically what we have here is a battle between two types of advertisers, second class and third class.

Yesterday in the Washington Post there was a cartoon. It was timed to coincide with the deliberations by this body of this matter. If that is not the pot calling the kettle black, then I have never seen a case which is, because second-class mail causes the largest deficit. Third-class mail is not, in my opinion after the rate increase, causing a deficit. Second-class mail is causing the deficit and we should be fair to third-class mail.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I just want to reiterate that the Anderson of Illinois substitute amendment is very equitable and fair.

In all the years that we have been increasing rates—and it has happened very, very often—we have tried to do it in such a way that the person who pays the bill can meet the bill. That is exactly right.

My good friend, the gentleman from Missouri, spoke about getting the Record through the mail. He got them fourth class and did not get them third class.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. The gentleman can look that up.

I just want to say to the Committee that the gentleman from Illinois [Mr. ANDERSON] has performed a real service in offering this substitute amendment. I hope it will prevail here and in the other body, or both. If the exponents of pricing third-class mail out of the market want to do that, they should do the same thing to second-class mail.

I do hope that the committee supports the Anderson of Illinois amendment and that we move on to other matters.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Chairman, it is time to brush away the window dressing on this amendment and recognize it for what it is—an ill-disguised attempt to drive third-class advertising out of the U.S. mails once and for all.

With such an objective, it would be more seemly if the proponents had the courage to come out and say what they mean, instead of pussyfooting around under the guise of a purported rate adjustment. If they really want to eliminate this great class of mail, they should lay their plan before this body in a forthright manner—as was done in an amendment by a former Member 12 years ago to abolish third-class mail altogether.

Many Members will recall that when Postmaster General Summerfield heard

of that proposal—and he was never known as a great friend of third-class mail—he used all of his not inconsiderable powers of persuasion with congressional leaders to reject that amendment.

Like every other Postmaster General, he knew it would have been disastrous—that the postal service would be thrown into chaos—if it lost the half-billion-plus revenue from third class and faced diversion into first class of billions of pieces of advertising.

But, Mr. Chairman, there is an even worse hidden bomb in this amendment. It would slap a killing 80-percent increase on third-class mailings of qualified nonprofit organizations—the churches, the charitable groups, the veterans organizations, and religious organizations that the Congress traditionally has protected from excessive postal charges.

The amendment also would hike the third-class permit fee to \$40, and seriously damage thousands of small civic and public service groups, such as volunteer fire, ambulance, and rescue squads.

If the gentleman offering the amendment wants to run counter to this long-standing policy, it is his privilege. But others should realize what he is doing.

Mr. Chairman, this is a dangerous amendment that very probably would do irreparable damage to an important segment of mail patrons and well could cause serious disruption in postal operations. We should support the well-balanced Post Office and Civil Service Committee recommendations for substantial but fair rate adjustments, and defeat this amendment.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. DANIELS. I am happy to yield to the gentleman.

Mr. OLSEN. Mr. Chairman, I think we ought to take note of the fact that the committee did meet and hold hearings since the 9th day of May. We had 21 days of hearings. Then we had 7 days in executive session in the subcommittee and following that we had 15 days in executive session in the full committee.

We came up with a proposition that it be 3.8 cents for third-class mail as a minimum piece rate.

We came to the conclusion, as the gentleman from Arizona [Mr. UDALL] so eloquently stated that that third class will pay 100 percent of its own way.

I think you ought to have some faith in the committee system. This Committee on the Post Office and Civil Service has members on that committee just like yourselves on the other committees, and we ask you to rely on us because we did conscientiously come to the conclusion that we are bringing to the floor for your consideration the best possible bill.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. DANIELS] has expired.

The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, we have worked hard and I urgently recommend to the committee that you rely on the subcommittee and upon the committee, that 3.8 cents is a fair minimum rate for third-class mail and that it will pay 100 percent of its own weight.

Do not be angry at third-class mail because you are angry at some other class of mail. Third-class mail will pay its way. Do not be a censor. Do not be eliminating some mail because you do not like it. Let us just set a fair rate. That is what your committee recommended as a fair rate. We recommend 3.8 cents. Therefore I ask the committee to vote down the Anderson of Illinois amendment, vote down the Hechler of West Virginia amendment, and vote for the proposition of the subcommittee and the full committee and vote for the bill.

Mr. HECHLER of West Virginia. Mr. Chairman, how many of us can go back to our districts and face our constituents when we are raising first-class rates to 6 cents at the same time as we are not raising third-class rates so that that class of mail will pay its way?

Various Members have indicated on the floor that my amendment would drive people out of business. Since the Sherman Antitrust Act, every piece of regulatory legislation, every tax bill, every minimum wage bill, every law affecting our economy has resulted in scare words that so-and-so would be driven out of business if it were passed. That is just par for the course—and it rarely happens. In 1958, at the Senate hearings, Harry Maginnis, president of the Associated Third-Class Mail Users, said:

It is my firm opinion that third-class volume will drop from 16 billion to 10 billion pieces under the impact of a rate increase.

There was an increase and the annual volume rose to nearly 18 billion in 1961. Today's volume is greater than 20 billion. No class of mail is increasing in greater volume than third-class mail. Twenty years ago, less than one out of every six pieces of mail were third class. Now more than one out of every four pieces of mail is third class.

Mr. Chairman, there is simply not enough time in 1 minute and 15 seconds to explode all the false information which has been spread here today about nonprofit organizations and their postal rates. In 1928, the rate per piece for third-class bulk mail of nonprofit organizations was 1 cent. Do you know how much it has gone up in 39 years? Exactly one-fourth cent, from 1 cent to 1¼ cents. The committee bill has taken the nonprofit rate and divided it into two categories: for charitable religious and health organizations, the rate is set at 1.3 cents—which really is not an increase, but is just a rounding off of the 1.25 cent rate to 1.3 cents. Then for other nonprofit organizations, the rate is set at 1.9 cents.

My amendment merely restores the historic relationship between profitmaking organizations and nonprofit organizations as established by the Postal Policy Act of 1958, which states that nonprofit postal rates should be 50 percent of regular third class rates. Yesterday at page H13140 in the RECORD, I went into great detail on why we should raise the rates to a reasonable and equitable level for nonprofit organizations.

These organizations now account for 17 percent of all bulk-rate mail, whereas they had only 8 percent in 1953. The

deficit caused by nonprofit mailing now runs to \$100 million a year, and it is rising rapidly as the volume of nonprofit third-class mail rises and more and more organizations are striving to get in under this umbrella. This has gotten to the point where the Postmaster General's Advisory Panel on Postal Rates, headed by former Congressman Robert Ramo of Georgia, stated in 1965:

We question whether these subsidies should be intermingled with postal rates. If there is merit in these subsidies, they should be identified and included as direct payments from the budgets of the Federal agencies charged with overseeing public welfare activities. . . . Funds for subsidies should be provided by direct appropriations, to the agency overseeing the welfare activity, rather than as a hidden cost in the postal budget.

Mr. Chairman, I urge opposition to the Anderson substitute, which would make the rates on third-class mail even more heavily subsidized than those reported in the committee bill. I certainly hope that this Committee will reject the Anderson substitute and then take the wise course of action and adopt the amendment which I have proposed.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Illinois [Mr. ANDERSON] for the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The question was taken; and on a division (demanded by Mr. ANDERSON of Illinois) there were—ayes 55, noes 115.

Mr. ANDERSON of Illinois. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ANDERSON of Illinois and Mr. OLSEN.

The Committee again divided, and the tellers reported that there were—ayes 69, noes 145.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The question was taken; and on a division (demanded by Mr. HECHLER of West Virginia) there were—ayes 64, noes 147.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. THOMPSON OF GEORGIA

Mr. THOMPSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMPSON of Georgia: On page 35, immediately following line 18, add a new section as follows:

"DISCLOSURE OF SUBSIDY ON MAIL MATTER

"SEC. 120. Chapter 53 of title 39, United States Code, is amended by adding at the end of such chapter the following:

"§ 4061. Determination of subsidies

"(a) Prior to February 1, 1968 and every two years thereafter, the Postmaster General shall estimate the actual cost of handling each class of mail, and each subclass thereof, and he shall promulgate in percentage of cost the results thereof setting forth the percentage subsidy each class and subclass of mail receive.

"(b) Each mailer of second-, third-, or fourth-class mail shall print, or cause to be printed on each item of such mail in form legible to the normal unaided eye and on the same surface on which the mailer's address appears, a statement detailing the class

of mail being used, and stating the percentage of the subsidy received by that class or subclass of mail, as applicable, as last promulgated by the Postmaster General.

"(c) The Postmaster General shall refuse to deliver any mail of such classes which does not contain the information required by subsection (b) of this section."

(Mr. THOMPSON of Georgia asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of Georgia. Mr. Chairman, we have heard a great deal in the past few days about truth in congressional ethics, truth in interest rates, truth in packaging, and truth in campaign expenses.

Mr. Chairman, this is an effort to bring truth to mailing. I feel that the public is entitled to know the true facts about the mail matter that they receive. They are entitled to know whether or not they are subsidizing the delivery of this mail and, if so, to what extent. This is really a very simple amendment. It does not affect revenue in any way whatsoever. There is no revenue gained or lost by this amendment. But this amendment does follow the pattern which this Congress has been establishing in truth and disclosure and in letting the public know what is going on.

What does it do? It basically provides that the Postmaster General shall promulgate the percentage of subsidy each class of mail receives. This will enable every mailer, second, third, or fourth class, to go in and talk to the Postmaster General and give him their side of the story. Then, by February 1 of each year, he will determine on a cost accounting basis what subsidies are being received. Then simply these mailers will have to display on their stamp the class of mail and the subsidy received. I feel this is in the interest of the American people and certainly in keeping with the pattern which this Congress has established. I urge its adoption.

Mr. WALDIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment not because it may not have substance or merit as proposed, but it seems to me that this is not the vehicle to consider it at the present time. This is not a vehicle where we should consider anything having to do with truth in terms of disclosure of a subsidy. It may be very right and proper on every peanut produced in Georgia that we do have written on it the truth-in-subsidy statement as to how much subsidy is involved in the growth and sale of every peanut. In California, where I come from, it may be meritorious to establish on every can of oil the amount of subsidy involved before the consumer purchases it.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WALDIE. In just a moment I will. It seems to me before we make those careful determinations required in a broad truth-in-subsidy bill, we ought not to include it in a bill which is not essentially dealing with the very critical subject of truth and subsidy.

For that reason I oppose the amendment.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield now? Mr. WALDIE. Yes.

Mr. THOMPSON of Georgia. I would like to say in reply to the gentleman that we are not considering a peanut bill here or any other bill, but we are considering a mail matter here. If there were going to be a disclosure of subsidy, it would have to be on a mail bill and not not one that has to do with peanuts.

Mr. WALDIE. It seems to me in response to the gentleman that his proposal goes beyond mailing. It is a proposal that I do not decry in terms of merit and the subsidies that taxpayers are paying to private industry. They should be disclosed. His proposal in effect has great merit to it, but we ought to consider all of the subsidies at one time and not just consider this in terms of business people that mail particular material.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield further?

Mr. WALDIE. Yes.

Mr. THOMPSON of Georgia. I would like to say that the subsidies we are talking about amount to quite a bit. Second class is in excess of \$416 million. Third class runs into hundreds of millions of dollars. So this ain't peanuts.

Mr. WALDIE. Yes. It surely is not. I do not know much about peanuts, but I do know something about oil, and I know the subsidy granted the oil industry ain't peanuts, either, but I would not be willing to vote on this or on any other bill that subsidies be disclosed on every oil can until I have had the opportunity to consider these subjects in much greater detail.

Mr. RIEGLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to applaud the gentleman from Georgia [Mr. THOMPSON] for an interesting and novel idea. I suggest that if it is defeated, as it may very well be it will only be because the truth hurts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. THOMPSON].

The question was taken; and on a division (demanded by Mr. THOMPSON of Georgia) there were—ayes 36, noes 52.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. SCHWEIKER

Mr. SCHWEIKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHWEIKER: On page 35 immediately following line 18, add a new section as follows:

"Sec. 120. (a) Section 4359(e)(2) of title 39 of the United States Code is amended by inserting after the word 'fraternal,' the words 'volunteer fire companies, volunteer ambulance and rescue companies,'."

"(b) Section 4452(d) of such title is amended by inserting after the word 'associations' where it appears in the first sentence a comma and the words 'and volunteer fire companies, volunteer ambulance and rescue companies,'."

Mr. SCHWEIKER. Mr. Chairman, I introduce an amendment to this bill which would extend to volunteer fire, ambulance, and rescue companies the

second- and third-class bulk mailing rates now available to many other non-profit organizations.

This amendment, if passed, would give reduced mailing rates to approximately 20,000 volunteer fire, ambulance, and rescue companies in this country which daily act to protect the lives and property of our citizens.

More than 1 million men volunteer their services to these organizations. Without such voluntary participation, the communities would have to go without these services or finance professional units at great cost.

Of course, even volunteer organizations of this type need money to support their activities and maintain their equipment. To obtain these funds, they rely in large part on mail solicitation of contributions from the people in the areas which they serve.

It would extend to volunteer fire, ambulance, and rescue companies the same reduced postage rates now enjoyed by all qualified religious, educational, labor, scientific, fraternal, veterans, and rural electric groups and associations.

Mr. Chairman, the other body last year passed a similar version of this legislation. The House Committee on Post Office and Civil Service amended and reported that measure to include the provisions of my bill, which was identical to the one I introduced earlier this year, and which I offer as an amendment today. I would hope that these organizations whose men risk their lives and who use the fire ax to save many lives each day would not in turn be axed this day in Congress.

I hope that my colleague would agree that we should help make these lower postage costs available to these organizations, which contribute so much to the welfare and safety of so many Americans. It seems only fair that they receive the same mailing rates now enjoyed by many other worthwhile organizations.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. SCHWEIKER. I yield to the gentleman from New York.

(Mr. HORTON asked and was given permission to revise and extend his remarks.)

Mr. HORTON. Mr. Chairman, first of all I wish to indicate to the distinguished gentleman from Pennsylvania [Mr. SCHWEIKER] and to the other members of the Committee of the Whole House on the State of the Union my support of this amendment. I introduced a bill designed to accomplish this purpose in the 88th Congress and again in the 89th Congress.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. SCHWEIKER], which would extend second- and third-class bulk mailing privileges to volunteer firefighters, rescue squads and ambulance companies. This amendment would extend to these groups the preferential rates now enjoyed by religious, educational, scientific, labor, fraternal, and veterans groups.

In each of the past two Congresses I have been among the several sponsors of legislation to provide this financial assistance to the some 250,000 volunteers across the Nation who daily risk their

lives to protect the lives and property of others in their communities.

One of the great problems which confronts these dedicated volunteers is the shortage of money for the purchase of much-needed equipment. As all taxpayers know, the sophisticated and specialized firefighting equipment which is essential to the present-day fighter is extremely costly. Unlike his counterpart in the municipally supported fire departments and rescue squads, the volunteer firefighter must rely on the generosity of the community he serves.

To explain his need to his neighbors and to elicit their financial support the firefighter must frequently rely on the mails. It is estimated that the enactment of this measure will reduce the postage bill of the volunteer fire departments to approximately one-quarter its present level, thus making available for the purchase of additional equipment substantial sums of money which would previously have been expended on postage.

Mr. SCHWEIKER. I thank the gentleman.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SCHWEIKER. I yield to the gentleman from Wisconsin.

(Mr. STEIGER of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. STEIGER of Wisconsin. Mr. Chairman, I wish to commend the gentleman from Pennsylvania for bringing to the attention of this Committee the inequity which presently exists and which should be corrected, and would be corrected were his amendment to be adopted.

I support the amendment wholeheartedly. There can be little question but that all volunteer fire departments throughout this country provide a very real service. They render a service above and beyond the call of duty, without compensation, and it seems to me that this amendment would be an honest, equitable and fair method of treating the work that they do by giving them the same type of treatment that we give to so many very worthy, nonprofit organizations.

Mr. Chairman, I support this amendment and urge its adoption.

Mr. SCHWEIKER. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we cannot begin to decorate a Christmas tree here, and give away exemptions in a rate increase bill. For that reason I oppose this amendment very strenuously.

If we are going to start giving an exemption to this group, then I am sure there are many, many meritorious groups, including the Boy Scouts and the Girl Scouts and the Camp Fire Girls that do a great deal of good work in their communities. But when they go to the telephone company or the power company they pay the whole rate.

We have already given these people a very good rate in that they are in a fraternal or beneficial association. I do

not think we ought to back up one little bit. We have got to pass this bill the way it is. If the fire companies are entitled to some special benefit, I think they ought to go to the Department of Health, Education, and Welfare and get an appropriation from them to pay their postal bill. They should not be coming in here and asking to ride on the back of the Post Office Department.

Now, let us stay with the subject. The subject is increasing postal rates, and let us do it as equitably as we can.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I support the gentleman from Montana in his opposition to this amendment. I am sympathetic with the fire companies. We have had this bill before the committee and given consideration to it over the past few years. I love the PTA and the Girl Scouts and the Elks and the Moose and the Gold Star Mothers.

It is not as though we had denied these people the right to disseminate information. Suppose under the committee's new rate that there was a little bulletin that the local fire company wanted to send out on a regular basis, and supposing they had 2,000 messages. They would take those 2,000 messages down to the post office. Under the rate that they get now what do you suppose that they would have to pay for those 2,000 copies? Two dollars and sixty cents. The postmaster has to handle each one of those, the clerks, and the letter carriers, all of those 2,000 pieces of mail for \$2.60, even under the new rate, the raise that the committee gives them.

So I suggest, at a time of possible large Federal deficit, and when we are trying to raise money, that this amendment ought to be defeated.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. SCHWEIKER. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Pennsylvania.

Mr. SCHWEIKER. Mr. Chairman, I would like to ask the gentleman why he has a change of heart on this proposal? I have in front of me a copy of a report of July 14, 1966, from the Post Office Committee in which the committee recommended that this bill be passed. There was no dissent. I do not see why there is objection to it. I do not understand why, if last year it was the recommendation of the committee that this be passed, then why the change of heart at this present moment?

I would also ask how the gentleman felt about it last year?

Mr. OLSEN. The change of heart is for this reason: that we had many weeks of hearings. We had 9 weeks of hearings. We had 7 days of markup in the subcommittee, and 9 days of markup in the whole committee, and we decided that we just cannot have a Christmas tree, we cannot permit any more gifts.

Mr. SCHWEIKER. This is not a Christmas tree decoration.

Mr. OLSEN. That is why we have ex-

plained just how cheap it already is for these fraternal and beneficiary organizations. They send it for half of the bulk rate. Just a few moments ago we were talking about how cheap the bulk rate is, it is 3.8 cents in the bill, and these people will get the bulk rate for half that price. The new rate is 1.3 cents apiece. For goodness sake, we cannot make it any cheaper than that.

Mr. Chairman, I believe we should vote this amendment down.

Mr. DERWINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely wish to point out in behalf of the gentleman who offered the amendment that if the gentleman from Montana had an elementary sense of logic, he should support this amendment, since the very figures he gave really favor the Schweiker amendment because he quoted the beneficial rate.

Mr. OLSEN. Mr. Chairman, will the gentleman yield at that point? I am talking about the increases in rates now and I am stating it exactly correct.

Mr. DERWINSKI. Let me remind the gentleman that yesterday I offered an amendment to remove from this special category the rural electric co-ops and everyone spoke about the poor farmer. Certainly, if you can shed tears for the poor farmer and for the nonfarmer who is a member of the rural electric co-ops, you ought to shed tears for the poor members of the voluntary fire departments who stand ready to save the stock and the barns of the co-ops from burning down.

I say that the gentleman from Pennsylvania should be supported in his amendment.

Mr. ROTH. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Pennsylvania [Mr. SCHWEIKER].

Few, if any, local organizations render greater service to their communities than volunteer fire, ambulance, and rescue companies. That they perform these vital community services at no little risk and inconvenience to the members goes without saying. Yet, unlike other charitable, and nonprofit organizations, volunteer fire, ambulance, and rescue companies are not accorded second-class mailing privileges.

Mr. Chairman, in Delaware only one city, Wilmington, maintains a paid fire and rescue service. The remaining four-fifths of the State's population relies upon their friends and neighbors serving as volunteer firemen and ambulance drivers for protection of life and property.

Although they receive financial support from local and State governments in many cases, these volunteer organizations must rely upon private contributions to make ends meet. In seeking these outside funds, however, they compete with other nonprofit groups which can use preferred-rate, second-class mailings to approach potential contributors.

The amendment under consideration, similar to a bill I introduced earlier this year, will allow volunteer fire, ambulance, and rescue companies to reach these

same people, and better enable the organizations to meet their expenses.

Mr. Chairman, the fire research and safety bill has passed the Senate and now awaits action by the House. The President, earlier this year, sent to the Congress a message calling on us to enact legislation to improve firefighting technology and our knowledge of the causes of fires. Worthwhile as this proposal is, the heaviest burden of accomplishment still rests with the local firefighters. Second- and third-class bulk mailing privileges will, I am convinced, prove useful in enabling the local volunteer companies to afford better equipment and supplies, and training and facilities. Ultimately, adoption of this amendment will mean better firefighting and rescue service throughout the Nation. I strongly urge its adoption.

Mr. BIESTER. Mr. Chairman, I support the amendment offered by the gentleman from Pennsylvania [Mr. SCHWEIKER]. The kind of service rendered by the fine men and women who serve in some risk and for no pay makes life in thousands of our communities safer than it otherwise might be. Their service deserves our appreciation and our support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SCHWEIKER].

The question was taken; and on a division (demanded by Mr. SCHWEIKER), there were—ayes 20, noes 48.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MEEDS

Mr. MEEDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEEDS: On page 26, immediately following line 2, insert the following:

"(c) Section 4452 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) Matter mailed in bulk under subsection (e) of this section shall bear the return address of the sender. Such matter may be refused by the addressee and marked with his request for the return of such matter to the sender. The Postmaster General shall return to the sender all matter so refused and marked by the addressee at a charge to the sender which shall be prescribed by the Postmaster General but which shall not be less than the cost of handling the return of such matter."

(Mr. MEEDS asked and was given permission to revise and extend his remarks.)

Mr. MEEDS. Mr. Chairman, third-class bulk mailers are now using the U.S. mail as a blunderbuss to blast unsolicited third-class mail into every corner of this Nation. Aside from the fact that it is not paying its own way, most of it is unwanted.

What this amendment seeks to do is to allow John Q. Postal-Patron at his mailbox the opportunity to let the bulk mailer know that he does not want his material. It seeks to change the blunderbuss to a well directed rifle shot to those who actually want this mail.

Why is this necessary? It is necessary because bulk-mail advertisers, and I certainly do not mean all of them—but many of them are taking advantage of

the long suffering postal patron. They are playing the averages—betting that the discontent caused by indiscriminate mailings will not be greater than the favorable response which they receive. Perhaps in individual cases they are winning their bets.

It seems to me that the sum total of this indiscretion may well be their undoing. John Q. Postal Patron is getting fed up. He wants an effective way to get off the bulk-mailers list. This amendment provides that way, a way which will provide the impetus for the third-class mailer to clean up his lists and quit firing indiscriminate blasts.

What would the amendment do? First, it would require that the third-class matter mailed in bulk bear the return address of the sender. This is not presently required.

It further provides that the receiver may refuse this mail at his mailbox and return it to the sender at the sender's expense, and that this expense or cost will be determined by the Postmaster General. But the charge will not be less than the actual cost of handling.

Why do I say, "Let the Postmaster General determine the cost of handling"? I am not trying to punish the bulk third-class mailers. It may be that the Postmaster General can devise a schedule which will take into consideration zones, and that it would cost some of them less to return it than others. I merely wish to see that it is returned at the cost, and that the Post Office Department does not have to bear further expense.

Perhaps the Postmaster General can devise this system. But in no event will this amendment impose a further cost or further financial burden on the Post Office Department. I think it provides an effective and efficient method for John Q. Patron to get off the bulk-mailer's list when he does not want to receive it.

I think the gentleman from New Jersey [Mr. CAHILL] asked a perfectly legitimate question when he asked, in effect, "Have we really considered an effective, costless way to get people off the mailing lists, or to allow a patron the right to refuse mail"?

This amendment would give him that right, and it would give the right to him at the cost of the sender. He will get the message in a hurry, and the names will be removed.

Mr. Chairman, this is a good amendment and I hope it will pass.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment. The fact is the amendment would add cost to the Post Office Department. The point of fact is that we can have a raise like 3.8 cents minimum per piece charged for third-class only because we have eliminated expenses by ZIP code requirements and by regulations requiring certain kinds of acts by the mailers. This is the only reason we can afford a 3.8-cent minimum per piece charged in third-class, and there is no other reason. If we then have to sort it for return to the mailer, the cost will be out of this world.

The reason we think people will eliminate the use of their name on the third-class is that they will throw it away. The free enterprise system will determine

whether or not the bulk mailing is profitable. These people are not crazy. They do not send out bulk mail merely to lose money. If they lose money, they quit that kind of mailing.

We are interested in only one thing—we are interested in the Post Office Department getting paid for the whole cost of moving every class of mail, particularly first, third, and fourth, and someday I hope we will be interested in the full cost of the service.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. Earlier today I said that I have been searching for a way to enable those sincere people who are really offended by third-class mail to get off mailing lists. I would like to commend the very able gentleman from Washington in this search. I think we will find a way sooner or later, and we will continue to look. But this is not it.

If we want a bloated bureaucracy, if we just want to add Federal employees for nothing, then we should support this amendment, because we are going to employ tens of thousands of people to do a useless thing.

For example, I mail, in Arizona, all over the country a circular that people should buy some of this delightful cactus candy. Under the amendment, the receiver puts it in the mailbox to return to me, and instead of putting it in his mailbox in Montana and coming directly to me, there have to be 30 sortings to get it back to my mailbox. We will add to the Post Office burden and to the deficit.

I do not think this is the solution we will be looking for, and I hope it will be defeated.

Mr. OLSEN. Mr. Chairman, the third-class mail, if it is not wanted, will be thrown in the wastebasket, and the free enterprise system will take care of this.

I recommend voting down this amendment.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Mr. Chairman, I want to associate myself with the remarks of the gentleman and in opposition to this amendment. I do believe the search ought to go on for something of this sort, but this is not properly considered and we have no idea what the expense and inconvenience will be.

I think the amendment should be defeated.

Mr. OLSEN. Mr. Chairman, does the gentleman agree it will be a great expense to the Post Office Department if we have to re-sort all this third-class mail, which we do not sort in the first place? It will be a terrible burden to put this on the Post Office Department.

Mr. CORBETT. I do agree. That is why I said I would like to be associated with the gentleman in opposition to the amendment.

(Mr. CAHILL asked and was given permission to revise and extend his remarks.)

Mr. CAHILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have taken this time to commend the gentleman who sponsored this amendment for, at the very least, making a constructive suggestion and pointing out to the Congress the need for some affirmative action.

I have great respect for the gentleman from Arizona and the gentleman from Montana. I recognize there may be in the gentleman's amendment some problems that perhaps he and those of us who are not thoroughly familiar with the Post Office Department may not fully comprehend. I can understand that the amendment as proposed may create some problems, but I do believe it is a clear indication that the Committee should take notice that the American public wants some way found to eliminate the undesirable junk mail from being delivered to their homes.

The gentleman from Nebraska says "Throw it away." What do we do when it is delivered to the home and the youngsters in our homes, find it and read it before we throw it away? What do we do? Do we just tell the youngster who comes to us with some of the outrageous mail that is delivered to our homes, "Just throw it away," and just wait until the next batch comes?

Let me confirm what has already been said by another Member of the House of Representatives. I had one of my constituents come to my home with the collected third-class mail which he had received over a period of 1 month, and his statement to me was: "Here is a more dramatic statement of the need to do something than anything I can write or tell you." He showed me a collection such as was described by the gentleman from Missouri.

My point is this: Something must be done. I realize the problems. I recognize the dedication of members of the committee. I realize they are much more knowledgeable than the gentleman in the well. But I say to the Members that the American public wants a way to eliminate the delivery of this type of mail in the first instance.

I do not think it is enough to say they should throw it away. I do not think it should be permitted to come into the home if the homeowner does not want it. I hope the Committee, if they do not approve of this particular amendment, will in the very near future suggest one that will be approved.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I yield to the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, the gentleman has stated the sentiments of the committee, but we do have a real problem of eliminating mail because of the requirements of the Constitution and the first amendment regarding freedom of speech. Time and again regulations in the Post Office Department and laws passed by the Congress have been eliminated by the courts because they have been too restrictive.

We are trying once again in this bill. Title III of this bill has to do with the pandering of pornographic literature in the mail. We believe this is constitu-

tional. We believe we have written a bill that the courts will agree with.

In any event, we are moving in the direction of wanting to restrict mail, but we cannot do it in violation of the Constitution. The courts just will not allow it. I agree with the courts, but I also agree with the gentleman, and the committee agrees with him, and we will keep moving in that direction.

Mr. CAHILL. All I can say to the gentleman from Montana is that in my humble opinion unless the committee does find a way to eliminate this type of junk from the mail he will find that the public is going to insist that we take prohibitive and perhaps punitive action against the users of third-class mail.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

I should like also to reply to the gentleman from New Jersey and say that in title III, we have worked out legislation, over a period of 6 to 8 years, which passed the House overwhelmingly in the 88th and 89th Congresses but received no action in the other body, having to do with obscene and pornographic advertising type material. Title III will take care of that, and it is in this bill.

So far as other mail matter not of this nature is concerned, that is something the Committee has to study, to meet the general text of the gentleman's statement.

So far as what we can do with this "smut" material that comes into the home unsolicited, it will be well taken care of in title III.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from New Jersey.

Mr. CAHILL. Does the gentleman agree that this is a duty the Committee should perform in relation to all mail that is undesirable?

Mr. CUNNINGHAM. Yes. I believe we ought to study that.

Mr. CAHILL. I thank the gentleman.

Mr. HECHLER of West Virginia. Mr. Chairman, I rise in support of the amendment and move to strike the requisite number of words.

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Chairman, I feel this is a very good amendment. I have had a number of very dramatic examples called to my attention in the course of my research in support of the ill-fated amendment which was defeated earlier today, which I offered.

I wrote to every postmaster, rural carrier, and clerk in the entire State of West Virginia, and I have received a number of letters, only three or four of which opposed the position taken. There are a number of examples included in these letters which illustrate why we should support the amendment offered by the gentleman from Washington.

For example, Richard W. Goodwin, postmaster of Beaver, W. Va., points out that his is only a third-class office, with revenue of slightly less than \$10,000 a

year, including all salaries, contracts, rentals, utilities, and so forth, and "We burn an average of a ton of junk mail."

In addition to that, I received a very dramatic letter from a widow who wrote me. Her husband had been dead for 18 years. She had been trying to get his name off of various mailing lists. She sent me the latest letter she had received from a company which persisted on keeping him and her, too, on the mailing list. This letter did not have the dignity of being typed out personally. It was a form letter. Her name was at the top, along with that of her late husband. It simply said, in a form message, "If you don't like the material that we are sending you just ignore it in the future."

Now, that is impudence which I believe is an insult to the dignity of any person. Something ought to be done to give people a sure way to get off mailing lists. I believe the gentleman from Washington has offered a good formula for accomplishing this objective.

The gentleman from Arizona said many years ago that he was going to do something to help the recipient of unsolicited mail to refuse or return it, or at least cut off the flow effectively.

What is the committee doing about it?

Mr. MEEDS. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Washington.

Mr. MEEDS. The example that the gentleman gives of the widow trying to get her dead husband's name off the mailing list is a very good example of what we are trying to accomplish here. Is it not a fact that in many instances it is less expensive for the bulk mailer to go on mailing to people rather than to purge his list and bring it up to date?

Mr. HECHLER of West Virginia. This is certainly what the bulk mailers contend, I would say to my good friend from Washington. And that is what makes this whole business so frustrating.

Now I would like to yield to the gentleman from Arizona since I mentioned his name.

Mr. UDALL. Let me say to you that we are going to lick this. We will lick it in the next couple of years. The way we will do it I think—and I tried to do something on it, and we have all tried, but being fairminded, you do not do something to an industry without asking them to come in so that you can find out what objections they have to the legislation. You look at them with a jaundiced eye, but you should know what they have to say about a conscientious proposal such as this one. I think the way to lick this and the way we finally will lick it is through electronics. You get to the point where you have a magnetic tape and are using punch-out cards. You can put these punch-out cards on this magnetic tape and then get to the point where we can electronically get these names off the mailing list. In that way it can be done efficiently and economically. I believe we will solve this problem in that manner so that the people who have written to you and who really resent having their names on these lists can get off the mailing lists that they have not been able to get off.

Mr. HECHLER of West Virginia. I read a lengthy article in the New Yorker magazine about the attempts of the gentleman from Arizona along this line which brought out some of the problems that he said existed in trying to solve it.

Mr. UDALL. I asked them, if I dropped dead, could I get off the list, and they said, "No, not for a while."

Mr. OLSEN. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Montana.

Mr. OLSEN. It just so happens that I tried to get off the mailing list of Life magazine because I did not want to pay for it any more. It took a whole year to get off that list. You cannot argue with a computer. But for goodness sake, do not visit this problem on the Post Office Department, because they have to redeliver this stuff. Let us in the committee toil with it for another year, and believe you me, KEN, before we are here again this time next year we will have some solutions to this problem of getting off the mailing lists.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Washington.

Mr. MEEDS. I would like to point out about putting the burden on the post office service that in this bill it provides it will be returned at a cost of not less than the cost of delivery. Therefore, if it is a burden on the postal system, it will be paid for by the people causing the problem.

Mr. HECHLER of West Virginia. I think the gentleman from Washington makes a very excellent point. It will not cost the taxpayers any money under the amendment he proposes.

Mr. Chairman, I urge support of the amendment of the gentleman from Washington.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MEEDS].

The question was taken; and on a division (demanded by Mr. MEEDS) there were—ayes 18, noes 47.

So the amendment was rejected.

Mr. HARSHA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the attention of the gentleman from Montana [Mr. OLSEN].

Yesterday in my colloquy with the distinguished gentleman he seemed to attach some significance to consecutively numbering the pages in the newspaper. I would like to ask this question:

As the gentleman knows, newspapers commonly number their editions by sections. The sections are then given letter designations. Then the pages within the section are numbered from 1 through as many pages as are contained in the section.

Now, does this come within your definition of consecutive numbering?

Mr. OLSEN. Mr. Chairman, will the gentleman yield to me at this point?

Mr. HARSHA. Yes, I would be glad to yield to the gentleman from Montana.

Mr. OLSEN. The consecutive numbering, actually, is a requirement placed upon magazines rather than upon newspapers.

But I must read to the gentleman from the postal regulations and I must correct my statement of yesterday. The postal regulations say nothing in this regard. The regulations of the Post Office Department say nothing about the consecutive numbering of newspaper pages. The regulations of the Post Office Department are with respect to magazines.

Now, then, on page 46 of the committee report there is a long paragraph which reads in effect that under existing regulations an advertising supplement may be mailed with a second-class publication, subject to certain conditions, and then there is the citation thereon from the postal manual. In other words, the supplement must be germane to the issue and prepared in order to complete the issue. The supplement must bear the title of the publication preceded by the words "supplement to."

In other words, the regulation provides that publications which are distinguished from newspapers or magazines but which carry matters not germane to the issue, not be handled in this fashion.

Also, under the regulations publications publishers must be paid the advertising rates and charges for carrying free printed advertising supplements germane to the issue with which they are mailed.

So, the problem really is a kind of nebulous and hazy one in that it is a judgment on the part of the Department to determine the germaneness of the supplement to the publication.

Mr. HARSHA. Certainly advertising has been considered to be germane in the newspaper business. Historically it has been considered germane to a second-class publication. Advertising, certainly, is germane to the second-class mail publication, is it not?

Mr. OLSEN. It certainly is. But I think there has to be some kind of editorial material involved in the advertising supplement in order to make it germane to the issue.

Mr. HARSHA. Well, then, whether or not it is consecutively numbered, as the gentleman indicated yesterday, makes no difference?

Mr. OLSEN. It does not. As I now read the regulations with respect to newspapers.

Mr. HARSHA. But if it does contain some news value or editorial comment, then it does come within the germaneness issue?

Mr. OLSEN. Absolutely.

Mr. HARSHA. I would cite to the gentleman this as an example: If the advertiser includes in this matter reading material presented in a news format, and this material has informational value that is not advertising, is this the kind of news value or editorial value which will render the matter not an advertising supplement within the meaning of section 115?

Mr. OLSEN. Mr. Chairman, if the gentleman will yield further, I do not like to make this type of legislative history in this detail on the floor of the House.

Mr. HARSHA. This is why I am asking these questions, because the subject needs some explanation or determination in order that we may know where

we are going on this question. There is a great deal of confusion and uncertainty about this issue.

It seems obvious to me that the purpose of this section of the bill is to eliminate entirely or to exclude all advertising supplements from being mailed with newspapers.

Mr. OLSEN. No.

Mr. HARSHA. That is not the intent of this section?

Mr. OLSEN. The intent is not to eliminate anything. There is no censoring in here at all. It is simply to assure, if one is going to enjoy a second-class permit, then one has got to be a second-class sort of qualifier.

And if you are going to qualify—

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. OLSEN, and by unanimous consent, Mr. HARSHA was allowed to proceed for 3 additional minutes.)

Mr. HARSHA. I thank the gentleman.

Mr. OLSEN. As I started to say, if you are going to qualify for second-class rates, then you ought to include editorial material and you should not be a third-class mailer at second-class rates. You should not be sending bills out with your paper at second-class rates. First-class material such as a bill, ought to pay first-class rates. And if you send some advertising out that is third class, you ought to pay the third-class rate, and for whatever is second class, then you ought to pay the second-class rate. But there is no objection about what you send. It is just that we want the rate to be appropriate for whatever material you are sending.

Mr. HARSHA. I have no objection or quarrel about sending a bill in this manner, certainly, but there is a great difference as to what constitutes advertising, and what is a legitimate practice under this provision, and what have been considered legitimate advertising practices in the past.

Let me ask the gentleman if the material is printed, such as in a newspaper or a magazine, by someone other than the publisher, but is consecutively numbered—no, that would not apply except on magazines since you say there is no such requirement in respect to newspapers.

If the matter is printed by someone other than the publisher of the magazine, but is consecutively numbered, within your definition of this numbering, or contains some material of news or editorial value, will it then be considered to be a part of the publication and not an advertising supplement within the purview of the meaning in section 115?

Mr. OLSEN. I say that if it contains editorial material and retains its identity as second class, then it absolutely travels as second-class mail, and it is charged at the second-class rate.

Mr. HARSHA. To what extent can advertising rates charged for a supplement by a newspaper vary from that carried in the body of the newspaper?

Mr. OLSEN. We are not concerned here with the rates paid for the advertising. We are concerned with the fact that often in second-class matter there is a catalog which is purely third-class mail, and ought to be paying the higher

rate. And that if it has editorial material and can qualify as second-class material it should go as second class, but if it can not qualify as second-class material, which is so frequently what we find, then it should be paying the third-class rate.

Mr. HARSHA. Then we have this problem: In a number of small weekly newspapers there is one publisher or printer printing the classified ad section, and that same section is used in half a dozen different newspapers, but it contains nothing but classified ads such as if a farmer wants to sell a plow—or a tractor. And these small newspapers for economic reasons have one printer print this section for all of them.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. OLSEN, and by unanimous consent, Mr. HARSHA was allowed to proceed for 1 additional minute.)

Mr. HARSHA. I thank the gentleman for yielding.

Then all of this classified ad section is printed by one printer and disseminated to half a dozen different newspapers who use it in their papers, but it contains absolutely no news matter or editorial material of any kind; it is simply classified ads. Does the gentleman mean to say that under this section those weekly newspapers then cannot take advantage of the second-class rates?

Mr. OLSEN. They will have to pay the higher rate which is still quite a nice rate, they will have to pay the third-class rate.

Mr. HARSHA. In other words the small weekly can't combine to cut costs and have his classified section, which is historically part of his newspaper, printed at bulk rates and take advantage of the second-class rates. But if he prints his classified ad section at his own plant or separately in conjunction with and attached to his news items he can comply with this new provision.

AMENDMENT OFFERED BY MR. WOLFF

Mr. WOLFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLFF: On page 35, immediately below line 10, insert the following:

"COST ASCERTAINMENT STUDY"

"SEC. 118A. In order to provide the Congress with an accurate basis for the future determination of postal rates, the House of Representatives is authorized and directed to enter into a contract with a firm of certified accountants in private industry under which such firm will conduct for the Government a comprehensive study of the cost ascertainment system of the Post Office Department and ascertain the costs to the Department for handling each class and category of mail. Such study shall be completed within six months after the contract is entered into and the Post Office and Civil Service Committee shall report to the Congress the results thereon within ninety days after the completion of the study."

The CHAIRMAN. The gentleman from New York is recognized.

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman.

Mr. DULSKI. Mr. Chairman, there is no objection to this amendment on this side.

Mr. WOLFF. Mr. Chairman, the debate on mail rates has been raging here for many months. The issue is clouded because of questions raised about the validity of the Post Office Department's cost ascertainment procedures, raised here by every sponsor today. Although the debate has been muddled by disagreement over cost ascertainment, two points remain clear: a justified increase in mail rates is in order and mailers should pay the full cost to the Post Office of handling their mail.

To help bring clarity into this matter last spring I held an informal discussion in my congressional district and invited all of my constituents to participate.

I said at that time that, excepting those mailers such as newspapers, periodicals, charitable groups, and religious institutions that deserve reasonable Government mailing subsidy, that excepting those groups, postal rates should be equal to the Post Office Department's cost of handling mail.

Commonsense indicates that the present cost ascertainment system may not be a reliable gage for setting postal rates. In fact, in March of 1954 the U.S. Comptroller General, Lindsay C. Warren, stated he was "not prepared to endorse the flat use principle of cost allocation as it is applied in the cost ascertainment system."

Because of the inaccuracy of cost ascertainment the Comptroller General suggested that the Post Office Department work with "appropriate committees of Congress to develop an authoritative and definitive set of assumptions from which bases of allocation may be drawn for application to such cost data in determining the cost of various classes of service for ratemaking purposes."

The unsatisfactory nature of the present cost ascertainment system was further demonstrated when, in 1958, Deputy Postmaster General Maurice Stans stated that \$200 million had been charged against second- and third-class mail that should have been charged elsewhere. Thus the sharp increase in first-class rates in recent years. The inaccuracy of present cost ascertainment becomes strikingly clear.

Thus I am offering this amendment. What I propose is simple, and it will clear away the confusion that has been bred by present cost ascertainment. I propose an independent audit of the Post Office Department's costs of handling each class of mail. The purpose of this independent and complete cost ascertainment study would be to enable the Congress to set equitable rates whereby all mail users would pay their own way.

Mr. HECHLER of West Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hesitate to rise in opposition to an amendment which has been presented by as good a friend of mine as the gentleman from New York who has studied this subject rather carefully and, I think, has some very sound ideas on the postal system.

My problem with this amendment and I think the problem of this Committee should be: Why should the Congress of the United States turn to an outside organization for an independent audit

when we have already charged the Post Office Department to protect the public interest? Why should we abdicate our responsibility and turn it over to some outside organization?

I would add also in the testimony before the committee on page 49 of the hearings, Assistant Postmaster General Ralph W. Nicholson, indicated, and I quote directly:

I can think of no criticism of the cost ascertainment system that has not been answered before, not only to the satisfaction of the Congress but to the satisfaction of public accounting firms and many other independent authorities. They found no basic flaw in the system, although there were frequent suggestions that the data could be produced faster and at less cost—a valid observation to which we responded by introducing improved scientific sampling methods.

The only criticisms that persist come from those who have a vested interest in opposing rate increases.

I would point out also, Mr. Chairman, that the Postmaster General's Advisory Panel on Postal Rates headed by a very distinguished former Member of this body, Hon. Robert Ramspeck, of Georgia, made a report in 1965 after very thoroughly reviewing the cost ascertainment system and gave that cost ascertainment system a clean bill of health. For these reasons I feel that if we have set up an agency of Government to protect the public interest, it is a wrong procedure for us here in Congress to turn to an independent, outside agency, irresponsible to Congress, and expect them to protect the public interest.

Mr. HENDERSON. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from North Carolina.

Mr. HENDERSON. First, I would like to join the gentleman from West Virginia in expressing my reluctance to oppose an amendment which has such a laudable purpose and aim. But I think this is a very dangerous precedent. It would be dangerous for us to authorize the House of Representatives to enter into a contract to make an investigation or study for us. If it were directed at the Executive or the Postmaster General, my first impression would be to support the amendment, but certainly without the committee giving full consideration to all the ramifications of the proposal, we would be very ill advised to enact the amendment. I think we need to know what we are doing.

Mr. HECHLER of West Virginia. The gentleman from North Carolina has made a good point. The committee has not had any hearings on this proposal. It ought to be reviewed carefully by the committee. That is an argument which the committee keeps making against amendments that come up. Why not apply it to this amendment? Why does the committee not hold hearings and air a proposal like this instead of suddenly embracing it here on the floor?

Mr. HENDERSON. Mr. Chairman, will the gentleman from West Virginia yield further?

Mr. HECHLER of West Virginia. I gladly yield to my friend from North Carolina.

Mr. HENDERSON. I have talked to the gentleman about the cost ascertainment system. I am not satisfied with it. But I do not believe that we ought to authorize the House of Representatives to enter into a contract for someone other than our committee to study that question.

Mr. HECHLER of West Virginia. I agree completely with the gentleman from North Carolina.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from New York.

Mr. WOLFF. I have asked the gentleman to yield for the purpose of determining whether or not he thinks the present cost ascertainment system is correct in its entirety.

Mr. HECHLER of West Virginia. I feel that the cost ascertainment system as charged by Congress to the Post Office Department to set up and carry out, is the best possible system that we have devised. It is in the public interest and it has been reviewed and raked over by independent auditing and accounting firms and found flawless in its basic features. What could be gained by now having an outside private agency do our job for us?

Mr. WOLFF. How do you account for the confusion that has existed on the floor today and yesterday on the part of very well recognized authorities in the Post Office and Civil Service Committee who could not give us the answers to many of the questions regarding costs that were involved in the handling of various classes of mail?

Mr. HECHLER of West Virginia. I would say the confusion was the reason my amendment was defeated. If the gentleman can figure the answer to that question, I think it is unfortunate that Members do not understand and differentiate between the defenders of the public interest in the Post Office Department and the exponents of private and special interests elsewhere.

Mr. WOLFF. Perhaps the reason your amendment was defeated was because of the fact that the base that has been established did not satisfy every member of the committee.

Mr. HECHLER of West Virginia. Mr. Chairman, it is wrong to say that the referee is at fault when the referee does not come up with the right figures to satisfy a special interest. I think that is essentially what we are doing here. I respect the motives of the gentleman from New York, but I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Wolff].

The amendment was rejected.

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON: On page 27, immediately following line 9, insert the following:

"(b) Section 4554(a) of title 39, United States Code, is amended—

"(1) by striking out the word 'and' at the end of subparagraph (7);

"(2) by striking out the period at the end of subparagraph (8) and inserting in lieu thereof a semicolon and the word 'and'; and

"(3) by adding at the end thereof the following subparagraph:

"(9) photographic prints when mailed by amateur photographers to nonprofit photographic exhibitions, photographic societies, and photographic print study groups, as described in subsection (b)(3) of this section, or when mailed by nonprofit photographic exhibitions, photographic societies, and photographic print study groups, as described in subsection (b)(3) of this section, to amateur photographers, or when mailed by a nonprofit photographic exhibition, photographic society, or photographic print study group, as described in subsection (b)(3) of this section, to another such exhibition, society, or group."

"(c) Section 4554(c) of title 39, United States Code, is amended—

"(1) by inserting '(1)' immediately following '(c)'; and

"(2) by adding at the end thereof the following paragraph:

"(2) Photographic prints may be mailed at the rates prescribed in subsection (b)(1) of this section when mailed by amateur photographers to nonprofit photographic exhibitions, photographic societies, and photographic print study groups, as described in subsection (b)(3) of this section, or when mailed by nonprofit photographic exhibitions, photographic societies, and photographic print study groups, as described in subsection (b)(3) of this section, to amateur photographers, or when mailed by a nonprofit photographic exhibition, photographic society, or photographic print study group, as described in subsection (b)(3) of this section, to another such exhibition society, or group."

On page 27, line 10, strike out "(b)" and insert in lieu thereof "(d)".

On page 27, line 14, strike out "(c)" and insert in lieu thereof "(e)".

Mr. HORTON (during the reading). Mr. Chairman, I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

Mr. OLSEN. Mr. Chairman, reserving the right to object, I do not seem to have a copy of the amendment.

Mr. HECHLER of West Virginia. I say to the gentleman from Montana [Mr. OLSEN], there are copies. I furnished one to him yesterday, myself, and I gave one to the chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HORTON. Mr. Chairman, my amendment would permit photographs to be mailed at the fourth-class rate when mailed by an amateur photographer to a photo exhibition sponsored by a nonprofit group, or when returned to the photographer by the sponsors of the exhibition.

My amendment would also permit these photographs to be mailed at the fourth-class rate when they are being sent from one such exhibit to another.

The inequity of the present postal rate was first called to my attention by Mr. J. Lawrence Hill, Jr., who is the exhibitions chairman of the Photographic Society of America, Inc.

The society and its nearly 1,000 affiliated camera clubs includes nearly 45,000 members in this country. I think the following excerpt from one of Mr.

Hill's letters to me quite concisely states the case for the amendment I am offering. In December of 1965, Mr. Hill wrote me as follows:

For many years the amateur photographers of our country have been subjected to excessive costs in mailing their photographic prints to the various salons and exhibitions and to "Print Portfolios" or print study groups which are a part of PSA. At the same time, Record Clubs, Book Clubs and many other organizations have been allowed the privilege of mailing merchandise under the "library" or "educational" postal rate.

This practice is most unfair, for the amateur photographers send their prints for study, analysis and judging. If found worthy, they are hung for public exhibition for periods usually 2-4 weeks. The Salon or Exhibition must then pay the high price of return.

Mr. Chairman, this brief excerpt points out the fact which makes the present rate structure inequitable. Nonprofit organizations are being denied the rate advantages which are accorded to some of the Nation's largest retailers. Thus, merchandise is being mailed at lower rates than parcels containing works of art or photographs.

Only a limited number of people will benefit from acceptance of this amendment, but it would eliminate one of the inequities of our present rate structure as it applies to amateur photographers and nonprofit organizations.

A secondary benefit of this is that it would encourage amateur photographers from every area of the country to participate in photographic exhibitions.

I might say I realize I am treading on thin ground when I ask for an amendment to open up and include another group in the fourth-class mailing privilege. I realize also this is one of the areas in which there is more support by the taxpayer than in any other area. But it does seem to me the Photographic Society of America and those amateur photographers who are attempting to exhibit and have their prints analyzed and studied and exhibited at various art groups around the country—and in many instances church organizations or religious organizations—would benefit. Also there are cases of exhibits at various museums and art and photographic museums across the country. I have a letter from the Photographic Society of America, whose headquarters is in Philadelphia, Pa., and from the office of the president, Mr. Joe Kennedy, from Tulsa, Okla. Colonel Kennedy in October of this year has indicated the support of this society and its members for this amendment.

Mr. Chairman, I hope this amendment will be accepted by the Committee and included in the fourth-class mailing privilege.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

There is no more conscientious and able Member of the House than the gentleman from New York [Mr. HORTON], and it pains me to oppose his amendment, but this is another Christmas tree-type amendment. We voted down the

volunteer firemen, and now we are asked to let in a fine, though small, group of photographers who have exhibited.

The fastest growing subsidy in the whole postal structure is the fourth-class postage rate. We are losing \$75 million a year now in this classification, and I would be reluctant in this time of budgetary crisis to add still another item to this already extended list. I can see some merit in granting this type of rate to people who really need it. These people do not need it. They have a preferential and fairly solid rate right now.

Mr. CHAIRMAN. I want to correct my friend on one point. The constituent who wrote and talked about the record companies getting a subsidized rate had a legitimate gripe, but we took care of the record companies in this bill.

We took care of them in this bill. They will no longer get that preferential rate which we give to books and libraries and things of that kind.

Mr. HORTON. Mr. Chairman, will the gentleman yield,

Mr. UDALL. I yield to the gentleman from New York.

Mr. HORTON. I will mention that the letter was written in 1965, when the point was made.

Mr. UDALL. That is right. This bill closes a lot of loopholes. We are proud of that. The record loophole was one we plugged up.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Montana.

Mr. OLSEN. The point of fact is that we want to plug up many of the loopholes in the fourth class. In fact, the sense of the Committee on Post Office and Civil Service was that we should restrict these preferential book rates to sendings between schools, from publishers to schools, and between libraries. We did not want anyone else to participate in this kind of subsidy. I believe that is what we are finally going to as our goal, and we are going to get there. We are not going to expand the subsidies. We want to restrict them to between the publishers and schools, between schools, between libraries and publishers.

Mr. UDALL. A lot of the book publishing companies, like the Reader's Digest, which the gentleman from Missouri objected to a while ago, will have some additional postage to pay under this bill.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. HORTON. I am not in disagreement with the efforts of the gentleman and of the committee in trying to cut down on the use of fourth-class privileges. I am not here at this time saying any of the privileges granted now under the bill, or which have been granted in the past, should be changed. I do not take issue on that.

I am merely trying to include the amateur photographers and the nonprofit exhibitions where they have to send the prints. It is expensive to send these prints. I believe it does deter people from sending prints to the exhibitions and to the various other organizations which study and analyze the prints.

Mr. UDALL. I love these people, and if we had unlimited subsidies I would be glad to give them one, but we are out of money. We need more money.

Mr. HORTON. I should like to ask the gentleman a question. Will the gentleman yield?

Mr. UDALL. I yield.

Mr. HORTON. In June of 1966 and in January of 1967, after the introduction of my original bill, the Post Office and Civil Service Committee sent to the Director of the Budget a request for a report, and also sent one to the Post Office Department. Does the gentleman have any figures or information with regard to how much the Budget Director estimates this would cost? In my judgment, it is not going to be very much.

Mr. UDALL. The gentleman is undoubtedly correct. It is the precedent and the principle involved which causes the trouble. I doubt this would cost more than a few tens of thousands of dollars a year. But we would have to let the volunteer fire company people in, and many others in.

Mr. OLSEN. We cannot open it up.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HORTON].

The amendment was rejected.

AMENDMENT OFFERED BY MR. THOMPSON OF GEORGIA

Mr. THOMPSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMPSON of Georgia: On page 22, line 16, strike out "first-class mail" and substitute in lieu thereof "air transportation of first-class mail on a space available basis."

(Mr. THOMPSON of Georgia asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes in support of his amendment.

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman from New York.

Mr. DULSKI. Mr. Chairman, we have no objection to the amendment. It just carries out the principle we have in the bill. There is no objection on this side.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. First, I want to join in not objecting to this particular amendment.

I should like also to ask the gentleman what became of our oral agreement to try to close debate on title I at 4 o'clock?

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of Georgia. I yield to the chairman of the committee.

Mr. DULSKI. Mr. Chairman, I ask unanimous consent that all debate on title I and all amendments thereto close at exactly 20 minutes after 4.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CORBETT. Mr. Chairman, reserving the right to object, the gentleman

made it originally 4 o'clock. Now he is making it 4:20. I will not object if he will modify his request to 4:10.

Mr. DULSKI. I will agree to making it 4:10.

The CHAIRMAN. Does the gentleman make that request?

Mr. DULSKI. I make that request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Chairman, because the amendment has been accepted by both sides here and this merely clarifies the intent of the bill, I ask for a vote on my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. THOMPSON].

The amendment was agreed to.

The CHAIRMAN. Under the limitation of time, the Members will have about 1 minute apiece.

The Chair now recognizes the gentleman from Missouri [Mr. HALL].

(Mr. HALL asked and was given permission to revise and extend his remarks.)

Mr. HALL. Mr. Chairman, it would seem there is no way that Congress can act in a vacuum on this measure today. The costs associated with this bill cannot be divorced from the fiscal crisis in which the Nation finds itself. How can Congress put itself in the position of approving a measure which contains fixed costs of more than \$2 billion over the next 2 years? How can we insist that the President adopt a belt-tightening posture, and then ourselves be vulnerable to his argument that Congress itself is loosening the belt?

The issue was perhaps best stated this morning by CBS newscaster Roger Mudd when he said:

Congress has the chance today to "Put Up or Shut Up," to use the elegant phrase in its budget-cutting drive. . . . The net effect of the bill will be to increase the Federal deficit each year. . . . If the welded together and double pay plus postal increase clears Congress, it will give the President a perfect opportunity to blast the Congress for preaching one thing and voting another.

Frankly, I personally believe he might veto it, and would not that be a paradox between the Congress and the Executive?

There are other arguments against the bill in its present form, such as the combining of the postage rate increase and the Post Office and civil servants' pay increase in one bill, the certainty that a military pay raise of even greater scope will almost certainly follow, the constantly mounting deficit in Post Office Department operations now increased by salary increases, the unfair burden that is placed on the user of first class mail who already pays a greater percentage than his fair share, and the use of a Presidential Commission to preempt congressional responsibility in the matter of establishing pay scales and expenses, for all branches of the Federal Government. But the most compelling argument remains the budget issue put forth by Roger Mudd, which I insert at this point in the RECORD:

ROGER MUDD, OCTOBER 11, 1967, CBS NEWS

Congress has the chance today to "put up or shut up" to use the elegant phrase in its budget-cutting drive.

Before the House today is a \$2.6 billion pay increase for Federal employees and \$884 million postal rate increase, the net effect of the bill will be to increase the Federal deficit plan each year, and in the present circumstances the pay bill couldn't have come at a worse time for the Federal workers.

The Democrat leadership is nervous about its chances, although last night the House rejected two amendments—one holding the present first class postal rate at 5 cents, the second freezing the first class, air mail and post card rates.

If the double pay and postal increase clears Congress, it will give the President a perfect opportunity to blast the Congress for preaching one thing and voting another. He supports the mail increase but has threatened to veto the pay boost as inflationary.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: On page 35, after line 18, add a new section to read as follows:

"Sec. 120. Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6)'."

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from New York, the distinguished chairman of the committee.

Mr. DULSKI. Mr. Chairman, I have no objection to this amendment on this side of the aisle.

Mr. BROYHILL of North Carolina. Mr. Chairman, I object to it.

Mr. RYAN. Mr. Chairman, I appreciate the willingness of the chairman of the Committee on Post Office and Civil Service to accept this amendment.

Due to an omission under section 4554 of title 39, United States Code, playscripts have been excluded from those educational materials which qualify for fourth-class rates.

My amendment would add "playscripts" to subsection 6, which presently includes manuscripts for books, periodicals, and music. I have introduced legislation to accomplish this in this Congress (H.R. 3330) and in past Congresses.

In the 89th Congress a report dated February 10, 1966, from the Bureau of the Budget acknowledged that my bill would "remove a discriminatory feature of the present law," and that "The volume of playscripts is limited and therefore no significant revenue loss would be involved."

The Postmaster General in his report of February 14, 1966, said:

Since the proposed legislation would remove a discriminating feature of the present law and lessen operational and rate problems for postal employees pricing such matter, we would have no objection to the enactment of H.R. 6579.

Neither the Post Office Department nor the Bureau of the Budget has any objection to this amendment, and it would remove a burdensome discrimination against one small category of educational material.

I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The question was taken; and on a division (demanded by Mr. RYAN) there were—ayes 17, noes 34.

So the amendment was rejected.

(Mr. RYAN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. Mr. Chairman, I would like to take this time to point out the problem with this section 115. Yesterday we were informed that if the pages in a newspaper were consecutively numbered, this would exempt the newspaper from this prohibition or this restriction in the bill. Now we find that that is not so, but if the insert or supplement contains certain news value or editorial value, then it is exempted. We also find out that if an establishment such as Sears, Roebuck puts out a large supplement of a great many pages but only 25 percent of it contains some news items, it is exempt under this provision. However, if several little weekly newspapers banded together for the purpose of publishing classified ads, they have one printer print this section for them all then they are no longer exempt and have to pay a higher rate. This higher rate for that type of operation, Mr. Chairman, I submit, will drive these newspapers out of business. They cannot afford the additional burden of separately printing their classified ad sections or the increased postage costs. The report tells us that the purpose of this section is virtually to exclude the use of all advertising supplements. Yet the chairman tells us this is not the purpose. Obviously there is a great deal of confusion and misunderstanding and this section should be deleted.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. RANDALL].

(Mr. RANDALL asked and was given permission to revise and extend his remarks.)

Mr. RANDALL. Mr. Chairman, it is most unfortunate that there is a limitation of time imposed against title I or the postal rate section of H.R. 7977. When consent was obtained to cut off debate, I was in the process of preparing an amendment to strike out section 115 of this bill in an effort to be of some assistance to the fine weekly newspapers, in the smaller cities of our district.

In the limited time, I have Mr. Chairman, I want to attempt to make some legislative history concerning those publishers covered in section 103, or non-profit publications now to be subjected to zone rates. I have reference to some denominational or church-owned publications. In the district which it is my privilege to represent is the home of the publishing division of the Reorganized Church of Jesus Christ of Latter-day Saints where they publish the Herald at Independence, Mo., and also the home of the principal publishing plant of the Unity School of Christianity at Lee's Summit, Mo.

The question which I hope can be answered by some member of the committee is whether these church publications which carry some small block or space of advertising to sell books and pamphlets on religious subjects produced by the church in the same printing plant where the magazine is published are going to be required to pay and in what amount according to the changes provided in this bill? In other words, if only one-tenth or one-twentieth of the proportion of the magazine is devoted to advertising to promote the sale of religious literature and church supplies, is it true that only this part or portion will be subjected to the new zone rates?

The established congressional policy has been that second-class publications falling in the religious field were entitled to preferential rates. I want to be sure and certain that this preference is not disturbed except perhaps as to the ratio or proportion of the advertisements published bears to the total space in the magazine. I am hoping for an answer to these questions.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Montana.

Mr. OLSEN. They will have to pay the regular commercial second-class rate, but on the basis of the publication's benefit to be derived therefrom. Otherwise, they would not qualify to come under this section.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. HENDERSON].

AMENDMENT OFFERED BY MR. HENDERSON

Mr. HENDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HENDERSON: On page 35, insert a new section at the end of title I to read as follows:

"SEC. 120. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows:

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for non-delivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

(Mr. HENDERSON asked and was given permission to revise and extend his remarks.)

[Mr. HENDERSON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, this amendment is desirable. It represents a service that is performed for second-class users and represents no cost to the Department. I think it is a very wholesome amendment and it is my opinion that we should accept it.

Mr. BROYHILL of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Chairman, on this side of the aisle we have no objection to the amendment.

I support the amendment offered by the gentleman from North Carolina [Mr. HENDERSON]. This was brought to our attention by our colleague, the gentleman from North Carolina [Mr. JONAS]. This is a change that is needed. This service must be paid for by the mailers and charges for this service will be set by the Postmaster General. It seems to me that the overall and long-range effect of the amendment could be beneficial to efficient mail service. I urge its adoption.

(Mr. BROYHILL of North Carolina asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. HENDERSON]. The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. KYL].

(Mr. KYL asked and was given permission to revise and extend his remarks.)

Mr. KYL. Mr. Chairman, the section regarding the rates for second-class publications should be stricken from this bill. Obviously, however, it cannot be stricken this afternoon through the amendatory process. However, I hope that when the other body considers this legislation, it will be able to pay attention to this matter.

As written, the section cannot be enforced with any fairness or consistency. It would be a tremendous headache to the Post Office Department on the one hand and it will not raise any additional revenue on the other hand. It would do great damage to the small daily and weekly newspapers of this country. This present language should be stricken from the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. McCLURE].

AMENDMENT OFFERED BY MR. McCLURE

Mr. McCLURE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLURE: On page 26, strike out lines 23, 24, 25, and 26.

On page 27, strike out lines 1 and 2.

On page 27, line 3, change the "3" to "2" and on line 5, change the "4" to "3".

(Mr. McCLURE asked and was given permission to revise and extend his remarks.)

Mr. McCLURE. Mr. Chairman, all this amendment seeks to do is to restrict the library rate to the existing rate, rather than the increase that is projected under the provisions of this bill. While we are under this bill perpetuating the second class subsidy or increasing second-class mail cost to 29 percent of the cost involved, we are asking the small country library operating within the framework of an interlibrary loan, where books are exchanged between libraries and obtained from central libraries, to pay an increase up to 40 percent. This, I think, is wrong.

I believe that the amount of money that is involved under this amendment that I am offering is not very great, and I believe we ought not at this time increase the cost to the small libraries. There is a very real increase in the rates under the bill, and it is not the simple change from a one-pound rate to a two-pound rate as the gentleman from Montana would have you believe. Above two pounds the rate is tripled, and this is a very substantial problem for the majority of small libraries that operate on very small and very tight budgets.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment.

It is the same situation with the same language. We are just saying it is eight cents for the first two pounds instead of four cents for the first pound, and the rate is the same except that we are giving recognition to the fact that most material moved by libraries is of a heavier weight, and we are not letting people move light-weight material at the four-cent rate, they are going to move the light-weight material at the 8-cent rate.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

"GENERAL SCHEDULE"

"Grade"	Annual rates and steps									
	1	2	3	4	6	6	7	8	9	10
GS-1-----	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2-----	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3-----	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5-----	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6-----	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7-----	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8-----	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9-----	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10-----	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11-----	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12-----	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14-----	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15-----	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16-----	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17-----	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18-----	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay if such existing rate is higher.

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the Federal Employees Salary Increase Act of

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. Is not this provision the one that makes the records pay a higher rate instead of under the library rate?

Mr. OLSEN. No.

Mr. McCLURE. What this does is raise the 1 cent to 3 cents per pound, is that not three times as much per pound? That is exactly what is hitting the small libraries.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UDALL. I thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. McCLURE].

The amendment was rejected.

The CHAIRMAN. If there are no further amendments to title I, the Clerk will read.

The Clerk read as follows:

TITLE II—FEDERAL SALARY INCREASES SHORT TITLE

SEC. 201. This title may be cited as the "Federal Salary Act of 1967".

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay, on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof,

his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out "salary levels 19 and 20" and inserting in lieu thereof "salary levels 20 and 21".

CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading "POSITIONS" is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"§ 3521A. Positions in salary level 2

"Custodian. (KP-1)

"(1) Basic function.—Performs manual laboring duties in connection with custody of an office or building.

"(2) Duties and responsibilities.—

"(A) Performs any combination of the following duties:

"1. Moves furniture and equipment.

"2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

"3. Loads and unloads supplies and equipment.

"4. Removes trash from work areas, lobbies, and washrooms.

"5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

"6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

"(B) May perform cleaning duties as assigned.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor."

(b) Each salary level number in the headings of sections 3513 to 3531, inclusive, of title 39, United States Code, and each other numerical reference to such salary level number in any other provision of such title (including the table of contents of chapter 45) which is not otherwise increased by this title, is increased by 1.

(c) Each employee in the postal field service on the date of enactment of this title, whose position is placed in salary level 2 of the Postal Field Service Schedule by reason of the enactment of this section and section 205(e) (1) of this title, shall remain in salary level 2 of such schedule so long as he

remains in such position or occupies, without break in service of more than thirty days, a position of a comparable level of duties, responsibilities, and work requirements in such salary level. When the employee leaves any such position, the position shall be appropriately ranked in accordance with chapter 45 of title 39, United States Code.

(d) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3512A. Positions in salary level 2."

immediately below—

"3512. Positions in salary level 1."

POSTAL FIELD SERVICE EMPLOYEES

SEC. 205. (a) Section 3542(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be 'PFS'. Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

"POSTAL FIELD SERVICE SCHEDULE I

"[To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2.....	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3.....	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4.....	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5.....	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6.....	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7.....	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8.....	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	.....
9.....	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	.....	.....
10.....	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	.....	.....
11.....	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546	.....	.....
12.....	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	.....	.....
13.....	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	.....	.....
14.....	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	.....	.....
15.....	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	.....	.....
16.....	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	.....	.....
17.....	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	.....	.....
18.....	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	.....	.....
19.....	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	.....	.....
20.....	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	.....	.....	.....	.....
21.....	24,126	24,932	25,738	26,544	26,960	.....	.....	.....	.....	.....	.....	.....

"POSTAL FIELD SERVICE SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2.....	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3.....	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4.....	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5.....	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6.....	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7.....	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8.....	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	.....
9.....	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	.....	.....
10.....	8,535	8,891	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	.....	.....
11.....	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	.....	.....
12.....	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	.....	.....
13.....	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	.....	.....
14.....	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	.....	.....
15.....	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	.....	.....
16.....	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	.....	.....
17.....	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	.....	.....
18.....	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	.....	.....
19.....	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	.....	.....
20.....	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182	.....	.....	.....	.....
21.....	25,333	26,179	27,025	27,871	28,717	.....	.....	.....	.....	.....	.....	.....

(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules which shall be known as

the Rural Carrier Schedules and for which the symbol shall be 'RCS'. Compensation shall be paid to rural carriers in accordance with such schedules.

"RURAL CARRIER SCHEDULE I

"[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25"

(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the total number of hours of service which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule."

(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units

category which would have occurred on the effective date of this section without regard to the enactment of this title.

(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation shall be established as his basic compensation.

(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation shall be established as his basic compensation.

(h) Each employee whose position, by

reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out

"3544. Fourth Class Office Schedule."

and inserting in lieu thereof

"3544. Compensation of postmasters at class offices."

CONFORMING AMENDMENTS

SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out "(3) revenue unit category, with respect to the Fourth Class Office Schedule" and inserting in lieu thereof "(3) minimum hours of service with respect to postmasters in fourth-class post offices."

(b) Section 3560(f) of title 39, United States Code, is amended by striking out "(1) reductions in class or revenue unit category of any post office, or" and inserting in lieu thereof "(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or".

(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out "level PFS-10" and "level PFS-11", wherever appearing therein, and inserting in lieu thereof "level PFS-11" and "level PFS-12", respectively.

(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out "level PFS-15" and inserting in lieu thereof "level PFS-16".

(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

SPECIAL SALARY RATE RANGES

SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out "seventh pay rate" and inserting in lieu thereof "maximum pay rate".

(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION

SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Assistant Chief Medical Director, \$27,055.
"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Class 1.....	\$24,944	\$25,776	\$27,055						
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336		
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940		
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207		
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346		
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121		
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376		
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084		

(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The per an-

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (Independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (Independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5, United States Code."

FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

num salaries of such staff officers and employees within each class shall be as follows:

"Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

(c) Foreign Service officers, Reserve officers, and Foreign Service Staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

SALARY RATES FIXED BY ADMINISTRATIVE ACTION

SEC. 211. (a) The rates of basic pay of assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organiza-

tions as he considers appropriate and in such manner as he may provide, shall—

(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, 216, and 222—

(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

(B) by 3 per centum,

whichever is greater; and

(2) effective on the first day of the first pay period beginning on or after April 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code.

Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsection (d)), and 214 of this title shall be adjusted, by amounts which are equal, insofar as practicable, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

(i) the President pro tempore of the Senate, with respect to the United States Senate;

(ii) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

JUDICIAL BRANCH EMPLOYEES

SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and

whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a United States District Judge. The salary of the Deputy Director shall be in the same amount as the rate of basic pay for level V of the Executive Schedule in title 5."

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 219(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

(f) The third paragraph under the heading "Office of the Architect of the Capitol" and the subheading "Salaries" in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out "\$7,700" and inserting in lieu thereof "\$8,200".

(g) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out "\$28,500" and inserting in lieu thereof "\$29,500".

(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out "\$27,000" and inserting in lieu thereof "\$28,750".

(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out "\$26,000" and inserting in lieu thereof "\$28,000".

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

SEC. 216. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission Executive, Legislative, and Judicial Salaries (hereinafter referred to as the "Commission").

(b) MEMBERSHIP.—

(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

(B) two appointed by the President of the Senate;

(C) two appointed by the Speaker of the House of Representatives; and

(D) two appointed by the Chief Justice of the United States.

(2) The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

(3) After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

(4) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

(5) Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

(c) PERSONNEL OF COMMISSION.—

(1) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section—

(A) the Commission is authorized to ap-

point an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and

(B) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.

(2) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

(d) USE OF UNITED STATES MAILS BY COMMISSION.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

(f) FUNCTION.—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay and the amounts and kinds of expenses and allowances, including requirements, conditions, and other matters relating thereto, of—

(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

(g) REPORT BY COMMISSION TO THE PRESIDENT.—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

(h) RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY, EXPENSES, AND ALLOWANCES.—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay and the exact amounts and

kinds of expenses and allowances, including any specific requirements, conditions, and other matters relating thereto which he deems advisable, for those offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term "budget" means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

(i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.—

(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that, between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

(A) there has not been enacted into law a statute which establishes rates of pay, amounts and kinds of expenses and allowances, and requirements, conditions, and related matters other than those proposed by all or part of such recommendations,

(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

(C) both.

(2) Any part of the recommendations of the President may, in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect.

(j) EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.— The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

(B) any prior recommendations of the President which take effect under this section.

(k) PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.— The recommendations of the President which take effect shall be printed in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

SALARY INCREASE LIMITATIONS

SEC. 217. Except as provided in sections 213(d), 214, 215, and 222, and subject to the operation of section 216 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate now or hereafter in effect for level V of the Executive Schedule in section 5316 of title 5, United States Code.

NIGHT, STANDBY, AND IRREGULAR DUTY DIFFERENTIAL

SEC. 218. Section 5545(c)(1) of title 5, United States Code, is amended by striking out "not in excess of 25 percent" and inserting in lieu thereof "not less than 20 per centum or more than 30 per centum".

PAYMENT OF RETROACTIVE COMPENSATION

SEC. 219. (a) Retroactive pay, compensation, or salary shall be paid by reason of this

title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

RETIREMENT COVERAGE FOR EMPLOYEES ON LEAVE WITHOUT PAY SERVING WITH LABOR ORGANIZATIONS

SEC. 220. (a) The first sentence of section 8332(k)(1) of title 5, United States Code, is amended by inserting "or of a 'labor organization' as defined by paragraph (3) of this subsection," immediately following "section 8331(1) of this title."

(b) An employee who, on the date of enactment of this subsection, is on approved leave without pay and is serving as a full-time officer or employee of a "labor organization" as defined by section 8332(k)(3) of title 5, United States Code, may make the election provided for by the first sentence of section 8332(k)(1) of such title, as amended by subsection (a) of this section, within sixty days after such date of enactment.

(c) For the purpose of the second sentence of section 8332(k)(1) of title 5, United States Code, the word "employee" includes—

(1) an employee who, on July 18, 1966, was on approved leave without pay and serving as a full-time officer or employee of an organization composed primarily of employees as defined by section 8331(1) of such title and who, before September 17, 1966, filed an election similar to that prescribed by section 8332(k)(1) of such title; and

(2) an employee who, on the date of enactment of this subsection, is on approved leave without pay and is serving as a full-time officer or employee of a "labor organization" as defined by section 8332(k)(3) of title 5, United States Code, and who, before the close of the sixty-day period prescribed by subsection (b) of this section, files an election under such subsection (b).

(d) The last sentence of section 8332(k)(1) of title 5, United States Code, is hereby repealed.

(e) The first sentence of section 8332(k)(2) of title 5, United States Code, is amended by inserting "or of a 'labor organization' as defined by paragraph (3) of this subsection" immediately before the period at the end thereof.

(f) Section 8332(k) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) For the purposes of this subsection, 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, and includes a national or international organization of which such labor organization is a member."

(g) Section 8348(g) of title 5, United States Code, does not apply with respect to annuity benefits resulting from the enactment of this section.

(h) The foregoing provisions of this section shall not apply in the cases of persons retired or otherwise separated prior to the date of enactment of this section. The rights of such persons and their survivors shall continue in the same manner and to the same extent as if this section had not been enacted.

GROUP LIFE INSURANCE AND HEALTH BENEFITS COVERAGE FOR EMPLOYEES ON LEAVE WITHOUT PAY SERVING WITH LABOR ORGANIZATIONS

SEC. 221. (a) The first sentence of section 8706(e) of title 5, United States Code, is amended by inserting "or of a 'labor organization' as defined by section 8332(k)(3) of this title," immediately following "section 8701(a) of this title."

(b) The first sentence of section 8906(e)(2) of title 5, United States Code, is amended by inserting "or of a 'labor organization' as defined by section 8332(k)(3) of this title," immediately following "section 8901 of this title."

(c) An employee who, on the date of enactment of this subsection, is on approved leave without pay and is serving as a full-time officer or employee of a "labor organization" as defined by section 8332(k)(3) of title 5, United States Code, may elect, within sixty days after such date of enactment—

(1) to continue any insurance status or health benefits enrollment, or both, which he has on such date of enactment,

(2) to reacquire any insurance status or health benefits enrollment, or both, which he may have lost while on leave without pay, or

(3) to acquire an insured status or enroll in a health benefits plan or both, if he were never previously eligible to do so, by arranging to pay currently and continuously into the Employees' Life Insurance Fund and the Employees Health Benefits Fund, as appropriate, through his employing agency, both employee and agency contributions.

The employing agency shall forward such payments to the Employees' Life Insurance Fund and the Employees Health Benefits Fund, as appropriate. If the employee does not make any of the elections set forth above, his insurance status and health benefits enrollment will continue and terminate in the same manner as for other employees in a nonpay status, or he will remain ineligible for insurance and health benefits, as the case may be, as though this subsection had not been enacted. The United States Civil Service Commission may prescribe regulations to carry out the purposes of this subsection.

SEC. 222. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

(1) in subsection (b), by striking out "\$28,500" and inserting in lieu thereof "\$29,500";

(2) in subsection (c), by striking out "\$27,000" and inserting in lieu thereof "\$28,750";

(3) in subsection (d), by striking out "\$25,500" and inserting in lieu thereof "\$27,500"; and

(4) in subsection (e), by striking out "\$23,500" and inserting in lieu thereof "\$25,000".

EFFECTIVE DATES

SEC. 223. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 216, 219, 220, and 221 shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsection (d)), 214, and 217 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213(d), 215, 218, and 222 shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d), 215, 216, and 222) shall be held and considered to become effective as of the date of such enactment; and

(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

Mr. DULSKI (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: On page 69, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following:

"UNCONTROLLABLE OVERTIME DUTY"

"Sec. 218. Section 5545(c)(2) of title 5, United States Code, is amended by striking out 'not in excess of 15 percent' and inserting in lieu thereof 'not less than 20 percent or more than 30 percent'."

Mr. UDALL. Mr. Chairman, this is simply a technical clerical amendment to correct an error in drafting by the staff of the committee.

The hardest-hit people among the classified employees of this country, insofar as overtime is concerned, are the FBI agents, the Border Patrol people, and some other law-enforcement types who receive no credit for regular overtime that applies to the Government bricklayers, the sheet metal workers, and others.

In drafting this amendment to give them at least 20 percent overtime instead of the present rule which gives them up to 15 percent—in many departments this is taken to mean nothing, zero and zero being not less than 15 percent—we have run into some serious difficulty. We were trying to amend paragraph 2, but by a clerical error it came out as subsection 1. The language of my

amendment is identical to the language in the bill except it changes the reference to subsection 2.

I discussed this with the minority, and I do not believe there is any objection to the amendment.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Yes, I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Mr. Chairman, I just want to say we have no objection to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. UDALL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: On page 76, following line 6, add a new section to read as follows:

"Sec. — (a). Section 5542(b) of title 5, United States Code, is amended to read:

"(b) For the purpose of this subchapter, unscheduled overtime work performed by an employee on a day when work was not scheduled for him, or for which he is required to return to his place of work, is deemed at least 2 hours in duration."

"(b) Subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new section after section 5542:

"§ 5542a. Time in travel status

"(a) For the purpose of this subchapter and except as provided by subsections (b) and (c) of this section, time spent by an employee in a travel status away from his permanent duty station is hours of work only if—

"(1) the time spent is within the days and hours of his regularly scheduled administrative workweek, including regularly scheduled administrative workweek, including regularly schedule overtime work;

"(2) the travel involves the performance of work while traveling; or

"(3) the travel is carried out under arduous conditions.

"(b) For the purpose of this subchapter, time spent by an employee in actual travel outside his regularly scheduled administrative workweek, including regularly scheduled overtime work, is hours of work, if—

"(1) the employee is required to travel for a substantial distance because of an emergency arising from an event that could not be scheduled or controlled administratively; or

"(2) in the case of an employee in a grade of the General Schedule below GS-10, or an employee in a position not subject to the General Schedule the minimum rate for which is less than the minimum rate for GS-10, he is required—

"(A) to travel from his regular place of work at his permanent or temporary duty station to a work assignment, or travel from a work assignment to his regular place of work, and the travel does not require him to stay away from his permanent or temporary duty station overnight;

"(B) to travel from his home to a 1-day assignment at a place away from his permanent duty station, or travel to his home from such a 1-day assignment, but not including the equivalent of the time normally spent going from home to work or work to home which, for this purpose, may be considered 1 hour;

"(C) to travel from his lodgings at a temporary duty station to a 1-day assignment away from his temporary duty station,

or travel to his lodgings after such a 1-day assignment, but not including the equivalent of the time normally spent going from lodgings to work or work to lodgings which, for this purpose, may be considered 1 hour;

"(D) to travel from his permanent duty station to a place where he will stay overnight, but only the time spent in actual travel during the first 4 hours after his departure;

"(E) to travel from a place where he stayed overnight to his permanent duty station, but only the time spent in actual travel during the last 4 hours before his arrival; or

"(F) to travel, in connection with going to or returning from a place where he stays overnight, on a nonworkday during the hours that correspond to his regularly scheduled hours of work on a workday.

"(c) For an employee in GS-10 or a higher grade of the General Schedule, or an employee in a position not subject to the General Schedule the minimum rate for which is equal to or greater than the minimum rate for GS-10, the head of an agency may consider time spent in actual travel outside the regularly scheduled administrative workweek, including regularly scheduled overtime work, as hours of work, if—

"(1) he considers it necessary to afford equitable treatment to the employee; and

"(2) the travel time would be hours of work for an employee under subsection (b) (2) of this section.

However, the head of the agency may determine that each hour spent in actual travel shall count as only one-half hour of work."

"(c) The analysis of chapter 55 of title 5, United States Code, is amended by inserting the following new item after item 5542:

"5542a. Time in travel status."

"(d) The amendment made by this section shall become effective 90 days after the date of enactment."

Mr. UDALL. Mr. Chairman, this also is an amendment which I believe will not be controversial.

Because of the budget situation and because of the problem of costs this year, we attempted in the committee to avoid adding any fringe benefits to the bill. By and large, we have avoided doing that. However, because classified employees receive in the first stage, for a number of reasons that have been discussed, only a 4.5-percent increase instead of 6 percent which is accorded to the postal workers, we consulted with these people to find out which fringe benefit amendment they feel is the most urgent, which would cost the least, and which would give justice to their people.

After some conference with these people and with other members of the committee, and because of the very modest cost involved, I have offered this travel pay amendment which is only a first initial step toward getting some of the classified people premium pay for duties incurred in a travel status.

There are U.S. marshals, for example, who are required to travel here on weekends to take a prisoner to Kentucky. And because of the present law they may leave home on Thursday, return on Sunday and then have to report to work on Monday. They get overtime for this but they do not get any premium pay.

This amendment picks up the fair labor standards provisions that apply in private enterprise and attempts to make a beginning to link the Government treatment of overtime and premium pay for

overtime involved in the cost of travel to private enterprise standards.

I am advised that the administration has no objection to this amendment. It was worked out with them and the cost is very modest. I think the amendment should be adopted.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. OLSEN. I want to congratulate the chairman of the subcommittee on this particular amendment. It is an important first step to achieve a legislative goal of the American Federation of Government employees and that has long needed remedying. This has been an injustice to our employees under the old system and I think this is really a good step forward and I compliment the gentleman.

Mr. UDALL. I thank the gentleman.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. SCOTT. I commend the gentleman for his belated concern for the classified employees. I would hope that the gentleman will show the same concern for an amendment that I will offer as soon as I can get the floor which would give equal treatment to the classified employees such as the postal workers are afforded.

Mr. UDALL. I thank the gentleman very much. I have as much concern for the classified employees as anyone in this Chamber. The compromise bill that I drafted, after about six efforts, will give the classified employees full comparability. This is a full comparability bill. It will give them full comparability that they are not getting right now, in the next 18 months.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. GROSS. I am looking at the RECORD of yesterday wherein the gentleman asserted:

I can say to my colleagues in the House that this is the best rate bill of the last, 10 or 15 or 20 years. This is the best pay bill I have been associated with during my 7 years.

Mr. UDALL. And I stand by those statements.

Mr. GROSS. I am wondering about the amendments that the gentleman is now offering—if this is such a perfect bill.

Mr. UDALL. I said that this is the best bill in the last 10 or 15 years—and it never hurts to try to make a good bill better. That is what we are trying to do and I know that I will get the help of my friend, the gentleman from Iowa, as we go along.

Mr. GROSS. In view of what the gentleman said yesterday, I am surprised today to find the gentleman offering amendments to this bill which at least on two occasions he said is well-nigh perfect.

Mr. UDALL. It is a mighty good bill, but it is not quite perfect. We are trying to perfect it and I am sure the gentleman will be in favor of amendments that are trying to make the bill perfect.

Mr. GROSS. How much money is involved in the last amendment that the gentleman has offered?

Mr. UDALL. The administration could not estimate that, but they thought it would be very modest and not add anything substantially to the cost of the bill.

Mr. GROSS. Is there a report from the Bureau of the Budget with respect to this?

Mr. UDALL. No, I regret I do not have that.

Mr. GROSS. So, apparently, we are asked to adopt the amendment on faith and in the dark?

Mr. UDALL. The administration has fought tooth and nail, and they are not happy with this bill and they think it goes too far in the spending of money, but they are willing to accept an amendment to correct an injustice to a small group of Federal employees like the FAA people and others who occasionally have to travel in an overtime status, but do not get paid for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. UDALL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 61, strike out line 17 and all of section 216 that follows, down through line 19 on page 68; and make the appropriate conforming changes in, and omissions of, section numbers and references.

The CHAIRMAN. The gentleman from Iowa is recognized.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, this amendment would strike from the bill section 216, which delegates to the next President extraordinary powers over pay, expenses, and allowances of Members of Congress, Federal judges, heads and assistant heads of the executive departments and agencies, as well as other Government officials.

Section 216 provides that, beginning in 1970 and every 4 years thereafter, the President is to submit to the Congress in his budget message his recommendations regarding adjustments in the pay, expenses, and allowances of the foregoing Government officials, and these Presidential recommendations become law unless the Congress by affirmative action rejects them within 30 days.

I must emphasize that no standard is prescribed for, or required of the President in setting these salaries, expenses, and allowances. He could lower one judge's salary or raise another judge's salary. He could raise salaries of the Federal Power Commissioners and lower the salaries of the Interstate Commerce Commissioners. He could raise the salaries of some members of the Cabinet and lower the pay of other Cabinet members. He could establish any salary or, as I understand the bill, raise or lower office allowances for individual Members of Congress, based on seniority or committee assignments as his purposes might suit him.

This unwarranted delegation of power to the President amounts to an abdication of our congressional responsibilities. We might as well delegate to the President all power of appropriations, taxes, and Government policies, generally, as to give to the Chief Executive our right to establish our own salaries, expenses, and allowances.

This section of the bill assumes that future Congresses will have no courage and no integrity, and will lack the ability to judge properly the pay, expenses, and allowances of its Members.

Are we so weak and lacking in courage in this 90th Congress that we must let some future President decide our pay, and our allowances so that we become wards of the executive branch?

Have we reached the stage in our political thinking that we are ready to give the Chief Executive the power of determining the pay of every Federal judge in the Nation?

Are we prepared to grant authority and responsibilities to executive departments and agencies, including the quasi-judicial boards and commissions, after having relinquished to the President the power over the pay, expenses, and allowances of the heads and assistant heads of these Federal agencies?

I believe the answer to these questions must be an unequivocal "No."

The establishment of the so-called Quadrennial Commission under the terms of section 216 serves no useful purpose. Indeed, it would amount to an unnecessary duplication by piling commission upon commission for endless and unprofitable studies. There is a Presidential Commission report now in existence concerning pay for Federal executives in the top levels, which has not been made available to the Congress. What purpose is served by creating another commission for almost the same purpose, when the Congress does not have benefit of studies made by the Commission now in existence?

There is not one scintilla of evidence or testimony that the President desires such broad powers over salaries and expenses of Federal judges, Members of Congress, or even his own appointees in the executive branch.

Moreover, such Presidential power over the pay, expenses, and allowances of the top officials of our Government could lead to abuse and intimidation. In some future administration, judicial decisions could be influenced, executive branch policies could be altered, decisions of quasi-judicial boards or commissions could be changed and undue pressures could be brought to bear on the Congress if such powers were abused either by the Chief Executive or by his assistants who pretended to speak for him.

This section 216 should be eliminated from this legislation and I hope the Members will support this amendment.

Mr. LENNON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from North Carolina.

Mr. LENNON. Mr. Chairman, I commend the gentleman for offering this amendment. I am reminded that just

last week here on the floor of this House, in a rather spirited debate, the distinguished chairman of the Appropriations Committee challenged this Congress not to abrogate its constitutional responsibility and authority to the Federal Government.

I do not see how any member of this Committee can in good conscience and morality fail to support this essential amendment to this bill.

Mr. GROSS. Mr. Chairman, I thank the gentleman very much for his observation and for his support.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a crucially important amendment, which involves a lot of thought and effort on my part, and I would like to tell the House and the committee precisely what is at stake. In the first place, all these fears about a President raising the salary of one Member of the Congress and not another, and influencing judicial decisions is a lot of nonsense. He cannot do that under the Constitution. He cannot take one of a class and not another. We would veto it in a minute, if he would try to do that. The President does not have that power. This is a delegation to a commission.

Most of the opposition is from people who do not know and understand what is in this bill. We talk about delegations to the President. This is delegation to an independent commission. We hear a lot of talk about a pay raise at this time. This is not a pay raise. This involves a regular study about what a pay raise ought to be. It involves the question of whether there ought to be a regular periodic study of congressional and judicial salaries and some machinery to implement those studies.

It is argued that this is something vicious and something unprecedented and something outrageous. Let me just explain what is involved. There is nothing tricky and there is nothing devious and there is nothing hard to understand. We need a more rational system of fixing the pay in this Federal Government. I have been working on it for 4 or 5 years. We have made some progress, but this is the critical reform if we are ever to get out of the annual struggle on the pay that we are fighting today, with people and clerks lobbying in our offices.

This is a crucial reform. We will never have it unless we get this kind of machinery in the Federal Government. How will you like it if next year we will not have a pay bill? It will be the first election year I can remember when we will not have a pay bill—if this bill passes today. But this is part of that reform, to get a three-stage package, and then go beyond that next year and get some regular machinery so we will make some orderly adjustment in all Federal pay on a regular basis, instead of the jungle we have now. That is what is involved.

This is the big step we need to take to complete that action. What happens under this provision? Next year the Speaker of this House appoints two people, and the President of the Senate and the Chief Justice each appoint two, and

the President appoints three. These are high-level people. It will be a nonpartisan commission, as required by the law. They will make an orderly study about what happened during the last 4 years in State pay and private enterprise and industrial pay. Then they will come up with a recommendation and submit it in January each 4 years, and it will go to the President. The President could reduce those figures but he could not increase them. It would go into effect automatically unless the Congress vetoed it—and we would veto it if it had any of the things in it which the gentleman has mentioned. This Commission might recommend a pay cut. This Commission might recommend that we restore some of the 5 percent that some of the committees are talking about cutting in congressional salaries. We may want that machinery around one of these days. This Commission could recommend an increase in the \$3,000 reduction, which is inadequate, that so many of the Members talked to me about.

In the Federal Establishment and in the Congress, we have raised pay seven times since 1787, since the time of George Washington. They went for 78 years before they raised it from \$6 to \$8 a day, because they were afraid of what some demagog opponent might say about it. The average has been 20 years.

As to this \$30,000 pay, the raise which we got 3 years ago, your pay is down now. It is not up. It is down by inflation to about \$28,000.

Do the Members believe that Congress is going to vote for a pay raise this year, next year, or the year after that? The pay is going to remain in the place it is now for the next 10 or 15 years, if history is any guide. It will remain there for the judges and the executives.

This is not just a congressional pay Commission. This is a Commission for all of the top people.

If we want a strong Federal Government, if we want people doing their jobs, rather than having "hacks" and bureaucrats, about whom my friend complains, we have to compete with private enterprise. And we must have an orderly way to adjust the pay.

Even if this succeeds, there will be no pay raise for Congressmen or for anyone else in this year. There will be no pay raise next year. There could be a modest pay adjustment in 1969, 3 years from now.

Would the Members rather wait 20 years, or 15 years, and then have to swallow the kind of pay raise we had before?

The CHAIRMAN. The time of the gentleman from Arizona has expired.

(By unanimous consent, Mr. UDALL was allowed to proceed for 3 additional minutes.)

Mr. UDALL. Mr. Chairman, are we going to have a kind of modest pay raise every 4 years, that will keep us in adjustment, the way we keep the Federal employees in adjustment?

There have been three Federal pay raises since the congressional salary adjustment. Three more increases are provided in this bill. Under the present system, there will be about nine more, before we see another one.

I should like to see this regular machinery set up.

Complaints are made here about a delegation of power. Ordinarily I object to the delegation of congressional power. That is bad. There are exceptions to every rule, and this is a case where the delegation of power is good.

If H. R. Gross should sue me in court, and if he came to the court and it turned out that I was the judge, on my own case, people would say, "This is a conflict of interest. This is wrong."

Of the 3 million people in the Federal service, only 535 have to sit on their own pay, or be the judges on their own case. This is a case in which we need the delegation of power in the public interest. We need someone else participating in the fixing of congressional pay besides the Congressmen.

This is good political science. It is good judgment. It is good sense. It is good logic. It ought to be adopted.

This is a case in which the public is entitled to have someone else participating in these important decisions.

As I have pointed out, this is not a delegation to the President. It is a delegation to this Commission. Then it will give the President and the Congress a role to play. The final gun will always be in the hands of Congress. We can always adopt language or a statute inconsistent with what the Commission decides.

This is not unprecedented. If the Members will ask students of the Federal salary systems what is the best system of all for fixing salaries, do they know what they will say? It is the wage board system. We have had it for 100 years.

This is a delegation of congressional power to fix the salaries of Federal employees in a situation where there is no conflict of interest. What I am trying to do is to pick up this proved system and to apply it here. We have a lousy system of adjusting pay for the top people in the Federal Establishment.

This is what is ruining the State legislatures all over the country. In my State they get \$600 a year. And some demagog will defeat them if they raise the salary to \$700.

This is a place where we ought to share this power, where we ought to share this responsibility on a regular and periodic basis with a high-level commission.

I say that we should give this system a try. We can try it for one time, or for two times, and if it does not work it can be repealed, and we can say the system failed. The old system has failed. It has failed because in 180 years we have had seven judgments in top pay in the Federal establishment. That is wrong.

So I urge that this long-overdue reform be voted in. It does not take any particular courage. It cannot be shot at. Members can just vote their conscience on this thing. It is in the bill now. It takes this amendment to get it out. If it is passed, we will have achieved a long overdue reform.

Mr. OLSEN. Mr. Chairman, I move to strike the requisite number of words.

I want to ask the gentleman from Arizona a simple question.

This delegation is not anywhere near the delegation we have given to the Wage Board, is it?

Mr. UDALL. Oh, no; 600,000 people have their pay fixed regularly in a sensible, noncontroversial fashion. They do not come in here to lobby Congress every year, with big pay fights about sheet metal workers and bricklayers. That is delegated to the Wage Board.

Mr. OLSEN. And there is an opportunity there we do not have, with the Wage Board, unless we take up a bill. We have an opportunity.

Mr. UDALL. To veto it.

Mr. OLSEN. It is not nearly as great a delegation as in the Wage Board case.

Mr. UDALL. Not at all.

Mr. OLSEN. It is very highly desirable. I have one other question.

There is not a possibility, is there, of discrimination within a class?

Mr. UDALL. No, sir. In my judgment, it would be unconstitutional, it would be arbitrary, and it would be vetoed by this House with 5 minutes of debate if any President were to try it. I will tell you what will happen if this system goes into effect. All of our Presidents are realists, and we are going to ask the Speaker and the President of the Senate and the minority leaders of both bodies to consider this. They will discuss it and will come to some conclusions on their findings before they do something outrageous that will embarrass the Members. This will work quietly and will work periodically and will take care of a situation that is pretty sick.

Mr. OLSEN. You think, of course, that the House of Representatives, the U.S. Senate, and the Supreme Court, and the President's office are going to work together, then, do you not?

Mr. UDALL. Certainly.

Mr. OLSEN. And we will call upon good, responsible citizens to work with this commission?

Mr. UDALL. Certainly.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from New Jersey.

Mr. JOELSON. The author of this amendment was arguing that we should give the President complete discretion and authority over the spending of \$5 billion only a few days ago. He is here before us now complaining about what he says is a delegation. It has been said that consistency is the hobgoblin of small minds, but I must say that the gentleman from Iowa must have a very large mind, because he is definitely inconsistent this afternoon.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I am sorry. I do not have the floor.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POOL. Mr. Chairman, I move to strike the requisite number of words. I also cannot approve of Congress delegating to a Commission the function of determining the pay of Federal judges, Federal executives, and Congressmen; and thus give to the Commission the power of life and death over the legislative branch as well as the judiciary and

executive branches of our Government. In my opinion it is contrary to the democratic philosophy of separation of powers and coequal branches of our Government. The judiciary, the executive, and the legislative branches should operate separately and certainly in the matter of expenditures of the taxpayers money; Congress itself should have the responsibility of deciding how this compensation shall be determined.

Mr. Chairman, I have voted for pay raises for Members of Congress on this floor. I went back home and withstood the attack of my opponents—and I think it was five at the time—and all five of them spoke about this and said the very first thing I did when I came to the Congress was vote myself a pay raise. I went across the State campaigning for Congressman at large, and I accepted this challenge to my voting record on that particular subject with this answer. I went back and told the people, "Yes, I voted for a pay raise for myself. The reason why, is I think I am worth it. If they do not think they are worth it, then they should not be running for Congress."

Certainly the Members of Congress should stand up and be counted on something like this. They should either vote for or against a pay raise. They have the responsibility to make this decision. All of you know that the pay of the Congressmen determines the pay of the executive and judicial branches of Government. That is a part of their responsibility in voting on their own pay raise as to whether or not they are going to raise the Federal judges and members of the executive branch of the Government. I think certainly we should not delegate this power to some Commission, three of them appointed by the President, two of them by the Speaker of the House of Representatives, and two by the President of the Senate, and two by the Chief Justice of the Supreme Court. Any two of those can get together with the other three from the executive and thus control the Members of Congress on their pay. They can reduce as well as raise our pay. That puts us at a terrible disadvantage in trying to operate a democratic type of representative government which is representative of the people. I certainly support the gentleman from Iowa in his amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, I move to strike the requisite number of words.

(Mr. DON H. CLAUSEN asked and was given permission to revise and extend his remarks.)

[Mr. DON H. CLAUSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. GUBSER. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GUBSER asked and was given permission to revise and extend his remarks.)

Mr. GUBSER. Mr. Chairman, I rise in support of the Gross amendment. Though I have supported salary increases for Congress in past years and believe that our responsibilities and workload justify an increase, I cannot vote for a device

which would achieve this result at this time.

A war is costing the lives of American boys and more than \$2 billion each month. A deficit of nearly \$30 billion is certain and inflation is imminent.

This is not the time for Members of this body to take an action which will result in raising their own salaries.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the requisite number of words.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I came here in 1943 at a time when the salary of a Congressman was \$10,000 per year. It was that way for 11 years. Then we were given \$15,000—rather, it was \$12,500 and we had an allowance of \$2,500, which brought the total up to \$15,000.

Mr. Chairman, we remained at that level—and this was right after the war, 1949—until 1955, a period of time during which we had quite a bit of inflation. In 1955 our salary was raised from \$15,000 to \$22,500. In 1964 we raised our salary to \$30,000, after another 9 years.

Mr. Chairman, I voted for everyone of those raises. I was not like some of the demagogues who fought those raises and then were the first in line to pick up their check when the raise came through. And, Mr. Chairman, I know certain people who did it. I could name names if I wanted to, but I shall not.

Mr. Chairman, this question of raising one's own wages in a public elective office is a pretty rough one. However, it was not too rough for me. I voted for it. If I thought a raise were due now and if it were brought out for the consideration of this body by the proper committee, I would vote for it again. I see nothing wrong in the principle involved in letting a bipartisan commission, a blue-ribbon-type commission or committee, look at our salaries and make the decision to recommend salary raises.

Certainly, any time we vote for a raise in our wages we are accused of conflict of interest because we have done something for ourselves.

If you believe in avoiding conflict of interest, and if you believe in reducing the question of conflict of interest and removing yourselves from that sphere of conflict of interest, what is wrong with a bipartisan, top-level commission studying this situation and bringing in its recommendations? If the recommendation is wrong, we can veto it. We still have the power to veto it. If it is wrong, the Congress can act upon it, in our good judgment. If we do not think there should be a raise, we can vote against it.

Mr. Chairman, as has been previously explained there is not only involved here the Members of Congress, but members of the judiciary and top executive positions as well.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Does the gentleman from California now make the point that by the actions of this Commis-

sion we will escape a vote on the question of raising our salaries? I cannot conceive of this Commission coming back with a recommendation for an increase in the President's budget without our having to consider a disapproval resolution which would be filed by someone and which would call for a vote thereon.

Mr. HOLIFIELD. I do not seek the privilege of not voting on a salary raise. I seek the judicial evaluation as to whether we should have it or not, an evaluation to be determined by an impartial body outside of ourselves. That is what I seek. I do not mind voting upon it. I have done it heretofore. And, I shall be happy to do so again.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the gentleman from Illinois has referred to the fact that this question would have to be voted upon in any event if this Commission should recommend an increase in pay. It is true that they would have to vote on a pay raise for a Member of Congress and that they will have that opportunity.

Mr. HOLIFIELD. Why, of course.

Mr. UDALL. If they want to vote for it they will have an opportunity to vote for a reasonable proposal as recommended by this Commission every 4 years instead of every 20 years as has been the custom in the past. However, in voting on the question one would have something behind him, the findings of a bipartisan group making the recommendation, instead of being accused of dreaming up something for his own personal benefit.

Mr. HOLIFIELD. Mr. Chairman, as the gentleman from Arizona says, this proposal does not mean that we will have to vote upon a pay raise this year, next year, or the following year, but when the time comes I shall be pleased to vote on accepting or rejecting a Commission recommendation. When I voted on congressional pay raises upon previous occasions, my opponent said, "You voted to raise your own salary." I said, "Yes, I thought I was worth it, and if my people do not think I am worth it, then they ought to elect an amateur to do the job which I have been doing."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 60, line 25, immediately after the word "of" insert "the Postmaster of the House of Representatives and of".

(Mr. DERWINSKI asked and was given permission to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Chairman, if I may have the attention of the leaders on that side of the aisle, this is a simple amendment in view of the fact that the amendment that was just offered and rejected, theoretically might have

worked to keep Federal high-level salaries down.

My amendment would save approximately \$1,088. All my amendment says is that the Postmaster of the House of Representatives will not receive a raise in this pay bill. Why? At the present time the Postmaster of the House of Representatives receives a salary of \$23,764. There is only one postmaster in the country, and that is the postmaster of Philadelphia, who draws a higher salary.

To give the Members a further idea—and our Postmaster is a fine, lovable gentleman, even with his salary—he has 85 employees under his jurisdiction. The postmaster of New York, whose salary is \$2,500 less, has 39,791 employees under his jurisdiction. The postmaster of Chicago, where mail was stacked up 6 weeks late at Christmas 2 years ago, has a salary of \$21,895, \$1,900 less than our own dear Postmaster. He has to supervise 27,100 employees.

The postmaster of Washington, D.C., has a salary of \$900 less than the House Postmaster, and he supervises 10,900 employees. I could go on and on and on.

For example, in St. Louis, the salary is \$22,200, \$1,500 a year less than our House Postmaster.

Mr. WILLIAM D. FORD. Mr. Chairman, would the gentleman yield?

Mr. DERWINSKI. Yes, I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. Is the gentleman suggesting that if we reduce the salary of this one postmaster, it is going to immediately bring happiness and glee to all of the other terribly underpaid postmasters the gentleman has been describing?

Mr. DERWINSKI. Not at all, but I was waiting for someone to offer a rebuttal so I could get to my punchline. My punchline is this: We know as Members of the legislative branch that we are subject to a great deal of unnecessary ridicule from the fourth estate. The very fact we have great concern over raising our own salaries is based primarily on ridicule from the fourth estate. Well, here is a chance to show our critics that we are a responsible body, we are not raising the salary of our own postmaster because we know he is well paid, he does not have that much volume of mail, and \$23,700 is a fine salary. It is the principle that I am interested in. It is the principle of putting some restraint on runaway salaries even in the legislative branch of the Government. And most of the Members will confide privately that many staff people are drawing high salaries from us.

Over on the Senate side their administrative assistants do as well as House Members.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if the gentleman will stand up, I will give him his rebuttal so he can get on with his punch line in just a minute.

I have to concede that salaries around here are higher than they are in other places, and this has been a matter of some concern to me. I believe we can only justify it on the fact that these are political appointments; they live by the

sword and die by the sword, and their bosses may be shot down by the irate voters every 2 years.

But the objections I would have is, why single out this man, this fine officer of the House of Representatives? Why not the Sergeant at Arms, who runs the bank here? He probably earns more than the president of a comparable small bank. How about the Clerk of the House? How about your own administrative assistant or my AA? Or how about the other people who work in the House of Representatives? If you are going to cut salaries down to a more reasonable level, let us do it in a sensible fashion and in a broad fashion instead of singling out the lovable Postmaster of the House of Representatives, saying, "You go first."

Now I yield to the gentleman from Illinois for his punch line.

Mr. DERWINSKI. I would say that the gentleman has made a very convincing argument and perhaps I ought to withdraw my amendment. I will do that if the gentleman will support my next amendment, which states that the House employees, like the Senate employees, will not receive the pay raise, but that it would only come to them by affirmative action of the individual Members. So in that way we would treat everybody in the legislative employee structure alike and a pay raise would not be automatic, but we would have to allow it to them in a positive way. That would answer all your criticism of this amendment. If you want to make that kind of a deal, I will withdraw this amendment if the gentleman will support my next amendment.

Mr. UDALL. The gentleman from Illinois is such a statesman and so sound that I always accept his amendments even before they are read. However, in this case I am unable to make the arrangement that he is suggesting.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. OLSEN. With regard to the second amendment, I think that would be completely out of order when you consider the fact that the pay increase is going to be given to everybody that we do not even know—the 2.5 million employees of the Federal Government who are going to get a pay increase. Here you are proposing in your next amendment that you would cut off the very people that you do know. I think not only is the amendment you have offered out of order, but the next one I think is ridiculous.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. DERWINSKI. I would like also to say that now in addition to what I previously said, having the gentleman from Montana argue against the second amendment, therefore implies that the first amendment is proper.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. KYL. I would think the gentleman from Arizona would vote for this amendment because here the House Postmaster is the only one who would

have an increase in business as the result of what we do here today.

As a matter of fact, just a few days after we pass the postal rate bill and the postal pay bill, the Committee on Appropriations and the administration, I understand, is going to start closing more post offices, and limiting city deliveries and limiting rural free deliveries to 3 days a week and cutting out some deliveries so that the average postmaster will have far less work to do. I think it is important that we should give some consideration to our beloved Postmaster because he probably will be the only one to bear an additional burden.

Mr. UDALL. He is the only one in the country who has to put up with the complaints of 435 Members.

Mr. KYL. Yes, and put up with FRANK and JOHN and MORRIS.

Mr. UDALL. I think we ought to retain his salary and I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The amendment was rejected.

AMENDMENT OFFERED BY Mr. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 61, immediately following line 2, insert the following:

"(h) The basic compensation of each employee on the rolls on the date of enactment of this Act whose compensation is paid from the clerk hire of a Member of the House of Representatives or the Resident Commissioner from Puerto Rico is hereby adjusted, effective on the first day of the first month following the date of enactment of this Act, to the lowest multiple of \$5 which will provide a gross rate of compensation not less than the gross rate such employee was receiving immediately prior to such first day, except that the foregoing provision of this sentence shall not apply with respect to an employee if, on or before the tenth day following the date of enactment of this Act, the Member or Resident Commissioner by whom such employee is employed transmits to the Clerk of the House of Representatives written notice to the effect that he does not wish such provision to apply to such employee. No employee whose basic compensation is adjusted under this subsection shall receive any additional compensation under subsection (a) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Member or Resident Commissioner by whom he is employed on the first day of the month following the enactment of this Act. No additional compensation shall be paid to any person under subsection (a) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Member or Resident Commissioner (other than a Member or Resident Commissioner by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Member or Resident Commissioner notifies the disbursing office of the Clerk of the House of Representatives in writing that he wishes such employee to receive such additional compensation for such period. If, before the expiration of the period within which such notice may be given, such Member or Resident Commissioner dies without having transmitted such notice, such notice shall be considered to have been transmitted."

Mr. DERWINSKI. Mr. Chairman, I admit to having offered the previous amendment in part to draw some support for this one. The gentleman from Arizona knows that I tend to be devious at times.

The point is that under the provisions of this bill, when the Federal pay raise is voted, the employees, in your individual offices will receive a 4½-percent raise.

Over on the Senate side that will not be so. Under the Senate procedures every Senator must notify the clerk of the Senate that he wishes to give his employees that amount of pay raise or some other amount. In other words, on this side we are less flexible in comparison to the august Members of the other body, since under our procedure, our employees get this raise automatically under the bill. It is being given to them by general legislation. On the Senate side the Senator takes the affirmative action of writing to the clerk stating that that employee should receive the raise.

The last time we processed a pay bill we momentarily adopted such a provision in our committee. Then we reversed the move and this amendment was defeated.

I believe this amendment would help every individual Member of the House to maintain proper discipline and respect in his office. Instead of taking this pay raise for granted, the individual employee will know that he received it from you, that you are appreciative of his efforts, his or her ability and loyalty, and therefore you are granting the pay raise.

I think that this amendment would be helpful to every House Member in working with his staff. It would give us the same procedures they follow in the other body.

Mr. BRASCO. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New Jersey.

Mr. BRASCO. Is the gentleman suggesting that there is someone on his staff that he would like to get rid of? If so, I would then suggest that he fire the individual and not complicate the pay raise bill.

Mr. DERWINSKI. No, I am not suggesting that at all. But you may have arrangements with your employees to pay them a certain salary. Then you have to take the negative step of reducing their base under our provisions. I have an administrative assistant at home with whom I agree to provide a flat salary. Every time there is a pay raise, I reduce his base to keep that salary. Many of you may have the same problem.

My amendment would give you an opportunity to take a positive step when increasing your employees salaries.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Texas.

Mr. KAZEN. Would you not have the same effect by your vote right here and now?

Mr. DERWINSKI. No, because this is limited to House legislative employees, and merely provides that they receive the same pay raise that all classified employees will receive. We would ap-

prove it for them as opposed to it being automatic.

Mr. KAZEN. That is true, but you are actually giving them the pay raise when you vote for the bill on the floor.

Mr. DERWINSKI. You are also giving the pay raise to 3 million other civilian employees. In this way—and I reemphasize the point—under my amendment you would establish a relationship to your employees in pay allowances just as the Senate. I would think that it is just good office management to accept this amendment.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New Jersey.

Mr. JOELSON. I believe the amendment of the gentleman provides that if the Member should expire it will be deemed that he shall have given consent that his employees be paid the increase. I wonder if such a provision would not fan homicidal thoughts which might already be in the minds of our employees.

Mr. DERWINSKI. The gentleman has a keen sense of humor.

I am sure the gentleman knows this is proper technical language used in the other body.

Incidentally, I wish the gentleman a long life.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think there are other more burning questions before the Nation than the mechanics of how we put into effect a pay raise for the members of the congressional staffs. This old chestnut has been kicked around with every pay bill I have had anything to do with. Everyone knows what is involved. There are strong feelings on both sides. Some of my friends are for this, and some of my friends are against it, and I am for my friends.

I have tended to think we would be better off having such an amendment as proposed by the gentleman from Illinois, but in past times when this amendment has come up it has always been beaten by a fairly substantial majority.

We can do under the present system precisely what the gentleman wants to do in his amendment. What we can do, on the first payday when it goes into effect, is get the payroll and juggle the base pay. If we have a young girl who has been with us only a few weeks and does not deserve the pay raise, we can juggle it so she gets just what she did before. If we have an old faithful employee, who deserves it, we can let him have the pay raise.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I take this time to ask a question. I was somewhat persuaded by the gentleman from Illinois. He is devilish and persuasive. It seems to me if there is some personnel practice which is effective for us, then it ought to be effective for the Federal Government departments. I wonder if the gentleman could give us any estimate of the cost of implementing this for all of the Federal employees if we put the

Federal supervisors in a position to do this?

Mr. UDALL. I do not know what it would do to the cost, but I have an idea what it would do to morale.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Chairman, I would like to help my friend the distinguished gentleman from Illinois. I would not like to learn that someone in his office put poison in his Kielbasa some lunchtime, so I am going to vote against his amendment.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from California.

Mr. MOSS. Mr. Chairman, I want to say I do not think there is in our Government a more dedicated body of employees than those who work in the offices of the Members of this House. I would not want by adoption of this rather unique and strange amendment to infer that they are any less competent or less entitled to the automatic increase than those who work in the executive departments of our Government.

I do not want to call on their goodwill. I do not want them to feel grateful to me. All I want them to do is a good job, so that I can here in this Congress better represent my district.

Mr. FRIEDEL. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Maryland.

Mr. FRIEDEL. Mr. Chairman, I wish to say I compliment my colleague from California. When he spoke of the dedicated employees of Members of this House, he took the words right out of my mouth.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I do not know about the gentleman from Illinois. He might not have a competent staff. I happen to think I have a competent staff, and I happen to think they deserve a raise just as much as anybody in the executive branch. They work longer and harder and they are more faithful, not just to me as the Representative in Congress but also to the constituents I have.

I think any Member of Congress who has a staff that is not that good should fire them, because then they are cheating the taxpayers. I think if the gentleman from Illinois happens to have that problem, he ought to clean up his own mess, and let us, who think our staffs work effectively in the public interest, give them the raise we think they deserve as decent, hardworking, honest, effective, and faithful employees working in the public service.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I know the gentleman from Michigan to be a clever debater, but I know the gentleman knows there is not a shred of logic in what he said.

Mr. DINGELL. Mr. Chairman, I think there is every logic in what I said.

Mr. DERWINSKI. Mr. Chairman, this has nothing to do with competency of my staff or any others. I happen to think I have the best staff on the Hill.

The point is, one is a better supervisor if he gives his staff a pay raise, rather than have it go to his staff automatically. Under my amendment, we will put ourselves on a par with the Members of the other body.

Mr. UDALL. Mr. Chairman, I would just like to say we are poles apart here.

Mr. RUMSFELD. Mr. Chairman, I rise in support of the amendment and move to strike the requisite number of words.

As the gentleman from Arizona indicated, this is not a very important matter, and I hesitate to take this time. However, it seems to me that what we have heard is a series of speeches, all on the time of the gentleman from Arizona—and I do not include his remarks—which simply developed a strawman and proceeded to beat it down.

The gentleman from Illinois [Mr. DERWINSKI] offered a reasonable amendment. It is based simply on the thought that each employer, each Congressman in this case, be in a position to determine the amount of money the employees in his office would receive. When a pay raise passes, he then could allocate that portion they would receive, if he wished, or if his district requirements were such that the funds could be better used to add a needed secretary, he could do that instead.

As has been suggested, if a new employee should come on the staff, and a pay raise should be passed, it might not be appropriate to give that person a pay raise immediately.

To suggest that there is something wrong with the staff of the gentleman from Illinois [Mr. DERWINSKI], or that there is something wrong with the other congressional employees here on the Hill I believe was not the case. I know that the Members of the House have staff members who are hardworking. In many cases they do deserve pay increases. However, I for one believe it would be better from a procedural standpoint, for individual Members to make that decision.

I commend the gentleman from Arizona for his thoughtful comments on this. I believe they were pertinent and well said.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. RUMSFELD. I am happy to yield to the gentleman from Michigan.

Mr. DINGELL. I believe the gentleman has made a good point.

My other friend from Illinois, for whom I have an abundantly high regard, I wish the membership to know, may have it come perhaps as some surprise to him to be told that he has such power right now. This amendment is not necessary to accomplish the stated goal of the gentleman from Illinois.

Mr. RUMSFELD. Let me respond to the gentleman. The gentleman is quite correct. He has that power, but, as the gentleman from Illinois said, what he

has to do is to go through a series of steps of reducing each one of his employees' pay by adjusting the base amounts downward so that the gross amount would remain the same. All he is suggesting is that it be reversed, so that positive action would not be necessary to keep salaries where they are.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. RUMSFELD. I am happy to yield to the ranking minority member.

Mr. CORBETT. Mr. Chairman, I want to say to the gentleman from Illinois, I am sure their staffs, and my own, would be quite competent to make out a letter to the proper authority stating that they were to receive this pay raise, and then we could sign it.

Mr. RUMSFELD. I do not understand the gentleman.

Mr. CORBETT. I was merely saying that the staff of the gentleman from Illinois [Mr. DERWINSKI] would be quite capable of writing out an order saying that they were to get a 4½-percent pay raise, which would go to other people, and all he would have to do is sign it.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. RUMSFELD. I yield to the gentleman from California.

Mr. MOSS. I thank the gentleman for yielding.

I merely wish to observe that I do not want my staff to regard me as some beneficent Santa Claus, having a feeling of strong gratitude because I approve each and every one of their individual raises when everyone else in the Government is going to get one automatically. I believe we should give to our staffs, as we are to the staff members who work in the executive branch of the Government, the automatic increase. If there is a persuasive reason to the contrary, we have the authority already to reduce, to dismiss, or to take whatever corrective action is necessary.

Mr. RUMSFELD. The gentleman misses my point and is referring back to the author of the amendment's statement.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. RUMSFELD. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I want to observe to the gentleman and to the chairman, as I tune my ear to the mood of the Committee it is obvious that most Members do not want me to help them with this amendment. I feel like the prophet without honor. Someday when Members come in and have a personnel problem, rather than say "I told you so," they should remember this good old amendment they turned down this afternoon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The amendment was rejected.

AMENDMENTS OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. SCOTT: On page 36 strike out the table immediately preceding line 1 and insert in lieu thereof the following:

"GENERAL SCHEDULE

"[To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after October 1, 1967]"

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1-----	\$3,826	\$3,956	\$4,086	\$4,216	\$4,346	\$4,476	\$4,606	\$4,736	\$4,866	\$4,996
GS-2-----	4,161	4,302	4,443	4,584	4,725	4,866	5,007	5,148	5,289	5,430
GS-3-----	4,526	4,679	4,832	4,985	5,138	5,291	5,444	5,597	5,750	5,903
GS-4-----	5,063	5,233	5,403	5,573	5,743	5,913	6,083	6,253	6,423	6,593
GS-5-----	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334
GS-6-----	6,219	6,429	6,639	6,849	7,059	7,269	7,479	7,689	7,899	8,109
GS-7-----	6,838	7,064	7,290	7,516	7,742	7,968	8,194	8,420	8,646	8,872
GS-8-----	7,492	7,742	7,992	8,242	8,492	8,742	8,992	9,242	9,492	9,742
GS-9-----	8,158	8,435	8,712	8,989	9,266	9,543	9,820	10,097	10,374	10,651
GS-10-----	8,927	9,233	9,539	9,845	10,151	10,457	10,763	11,069	11,375	11,681
GS-11-----	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781
GS-12-----	11,583	11,985	12,387	12,789	13,191	13,593	13,995	14,397	14,799	15,201
GS-13-----	13,646	14,121	14,596	15,071	15,546	16,021	16,496	16,971	17,446	17,921
GS-14-----	16,013	16,568	17,123	17,678	18,233	18,788	19,343	19,898	20,453	21,008
GS-15-----	18,603	19,247	19,891	20,535	21,179	21,823	22,467	23,111	23,755	24,399
GS-16-----	21,280	21,991	22,702	23,413	24,124	24,835	25,546	26,257	26,968	-----
GS-17-----	24,126	24,932	25,738	26,544	27,350	-----	-----	-----	-----	-----
GS-18-----	27,444	-----	-----	-----	-----	-----	-----	-----	-----	-----

On page 50, strike out line 7 and all that follows down through the period in line 3 on page 52 and insert in lieu thereof the following:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows for the period beginning on the first day of the first pay period beginning on or after October 1, 1967:

"SECTION 4103 SCHEDULE

"Assistant Chief Medical Director, \$27,444.
"Medical Director, \$24,126 minimum to \$27,350 maximum.

"Director of Nursing Service, \$18,603 minimum to \$24,399 maximum.

"Director of Chaplain Service, \$18,603 minimum to \$24,399 maximum.

"Chief Pharmacist, \$18,603 minimum to \$24,399 maximum.

"Chief Dietitian, \$18,603 minimum to \$24,399 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows for the period beginning on the first day of the first pay period beginning on or after October 1, 1967:

"FOREIGN SERVICE SCHEDULE

"[To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after October 1, 1967]"

"Foreign Service Officers	1	2	3	4	5	6	7
Class 1-----	\$25,372	\$26,217	\$27,444	-----	-----	-----	-----
Class 2-----	20,493	21,205	21,917	\$22,629	\$23,341	\$24,053	\$24,765
Class 3-----	16,792	17,375	17,958	18,541	19,124	19,707	20,290
Class 4-----	13,646	14,121	14,596	15,071	15,546	16,021	16,496
Class 5-----	11,239	11,629	12,019	12,409	12,799	13,189	13,579
Class 6-----	9,374	9,697	10,020	10,343	10,666	10,989	11,312
Class 7-----	7,922	8,188	8,454	8,720	8,986	9,252	9,518
Class 8-----	6,838	7,064	7,290	7,516	7,742	7,968	8,194

On page 53 strike out the table immediately following line 2 and insert in lieu thereof the following:

"To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after Oct. 1, 1967]"

"Foreign Service Staff	1	2	3	4	5	6	7	8	9	10
Class 1-----	\$16,792	\$17,375	\$17,958	\$18,541	\$19,124	\$19,707	\$20,290	\$20,873	\$21,456	\$22,039
Class 2-----	13,646	14,121	14,596	15,071	15,546	16,021	16,496	16,971	17,446	17,921
Class 3-----	11,239	11,627	12,019	12,409	12,799	13,189	13,579	13,969	14,359	14,749
Class 4-----	9,374	9,697	10,020	10,343	10,666	10,989	11,312	11,635	11,958	12,281
Class 5-----	8,453	8,742	9,031	9,320	9,609	9,898	10,187	10,476	10,765	11,054
Class 6-----	7,634	7,889	8,144	8,399	8,654	8,909	9,164	9,419	9,674	9,929
Class 7-----	7,011	7,243	7,475	7,707	7,939	8,171	8,403	8,635	8,867	9,099
Class 8-----	6,205	6,415	6,625	6,835	7,045	7,255	7,465	7,675	7,885	8,095
Class 9-----	5,662	5,849	6,036	6,223	6,410	6,597	6,784	6,971	7,158	7,345
Class 10-----	5,063	5,233	5,403	5,573	5,743	5,913	6,083	6,253	6,423	6,593

On page 59 strike out "4.5 per centum" in lines 17 and 25 and insert in lieu thereof "6 per centum effective October 1, 1967".

Mr. SCOTT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SCOTT. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SCOTT. Mr. Chairman, this amendment simply provides that a pay raise of 6 percent effective October 1 of this year be given to all employees covered by the bill rather than the initial 6 percent for postal workers and 4½ percent for all other employees. It does not relate to the action taken in 1968 or 1969 which is covered in another portion of the bill because none of us are aware at this time of what action the House will take on these portions of the bill. Therefore, this amendment is related only at the initial phase.

What the committee bill says, in effect, is that postal workers are entitled to "more comparability" than any other group of Government employees. I find no justification for this suggestion.

In a pamphlet printed last year by the committee entitled "Salary and Retirement Amendment Increases of Federal Classified and Postal Employees, 1945-66," there is a table on page 1 indicating all of the pay raises received from July 1, 1945, to date, and it indicates that classified workers' pay has been increased by 100.2 percent. A similar table on page 2 relates to postal employees for the same period of time, and it indicates they have received increases totalling 139.4 percent. I have these tables with me if any member would like to look at them. Mr. Chairman, I am not arguing to give postal employees less but to give classified workers more. The report of the committee on this bill contains a message from the President which states on page 3 that an increase of 7.2 percent is necessary to close the comparability gap.

However, according to the Bureau of Labor Statistics, this 7.2-percent gap existed in March 1966. Between March 1966 and July 1967 pay for private industry increased an additional 5 percent, bringing the comparability gap not to 7.2 percent but to 12.2 percent at the beginning of this fiscal year.

Mr. Chairman, I would hope that each Member of this body wants to be fair to all Government employees and does not respond, as some of the newspapers have indicated, by giving greater increases to those employees who have the most effective lobbyists on the Hill. Now, Mr. Chairman, I do believe in economy in government and will continue to vote against many of the spending programs. There is no question but that we must have a system of priorities in Govern-

ment spending. However, these are employees of our Government. They are the people we and the public deal with daily. I believe they are entitled to fair and equal treatment. The amendment was prepared by the committee staff with instructions to give identical treatment to all employees. It is the right thing to do. I urge its adoption.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendments.

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, we have heard a lot of talk around here about economy and you are going to have a chance to cast an economy vote on this amendment because the amount carried under this proposed pay bill is over the President's budget as a result of the compromises which we have had to make. In other words, you are going to add \$157 million more if you adopt this amendment.

Now, Mr. Chairman, let me tell the members of the Committee of the Whole House on the State of the Union for just a moment why this is true.

Mr. Chairman, the committee decided to give an increase of 6 percent to postal workers and an increase of 4.5 percent in this first phase to classified workers. It is important that the members of the Committee understand this. We were faced with a tremendously difficult job and problem. We were shot at by the postal unions who have a real grievance. We were under fire also by the administration which has a real budget problem. We had one serious problem with reference to the classified people who have been promised comparability for a period of at least 5 years. In other words, we were dealing with a very fragile situation or, in other words, a stool which rested upon three legs. In the first place the first leg was represented by the administration budget and the problem of the deficit with which we are confronted. We had to hold the impact of this proposal down and limit it to what could be expended upon pay raises. As a result of this, we came down somewhere between \$300 and \$400 million.

Second, 220 Members of this House of Representatives have said that the postal people have a real grievance and as an indication of that grievance, 220 bills were introduced, bills designed to reclassify postal employees. We had to do something about it. We had also to do something about full comparability for the classified people. So the compromise was that this year in the first phase we will make it 1½ percent extra for the postal people, but not as an expression of favoritism for one group, but as a reclassification action as well.

Mr. Chairman, in the classified service grade changes go on all the time. In other words, you can change a GS-9 to a GS-10 or you can change a GS-6 to a GS-7. However, you cannot reclassify a postal employee under the same guidelines as you can a classified employee. So, the postal employees are getting 6 in this phase, 5 next year, for a total of 11 percent. And, by doing that we reclassify them and give them this level 5, an action

which the majority of this House has said they are entitled to.

But, next year, Mr. Chairman, Mr. Scott's classified employees will begin to get the bigger raises and they will have full comparability in 1969. I would like to give them full comparability this year, but we cannot do it. So, we propose to handle it in three phases. We see that they get to the point where eventually they will have their comparability. There is something in this proposed pay raise for everyone.

However, Mr. Chairman, we have a delicate compromise which is involved here represented, as I stated earlier, by a three-legged stool, and I hope the members of the Committee will not pull this one leg out from under me.

Mr. Chairman, this amendment ought to be defeated on those grounds and on the ground of economy.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. If we were to increase the classified employees' rates by 1½ percent this year, it would mean that next year they would get a 1½ percent less raise?

Mr. UDALL. Precisely, under the formula.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

(Mr. WILLIAM D. FORD asked and was given permission to revise and extend his remarks.)

Mr. WILLIAM D. FORD. I thank the gentleman for yielding.

Mr. Chairman, I think, like others of the committee who have suffered under the constant accusation that there is something discriminatory in this carefully balanced bill. A bill that attempts to give equity and special attention to those who need it most. Consider for the moment the employees involved and what they would like, but remember what you are trying to do through this legislation to strengthen the postal service, and you must realize that we are in trouble. One of the places where we are in trouble, and everyone recognizes it but we have not done much about it is the glaring deficiency of postal wages in high wage areas where the postal service cannot hire and retain the kind of people we need for the ever-increasing burden which this essential service is carrying. We cannot continue to compete for his labors when the letter carrier or clerk finds himself living on a block where his earnings are so far below that of the parents of children who are the contemporaries of his children and all of the kids who go to school with his children. In other words, we are in serious and deep trouble.

We have more women carrying mailbags today than ever before because it has become a less desirable job than ever before when compared with other jobs and unfortunately women are still getting the toughest and lowest paying jobs in many parts of our country. One cannot make enough money as a letter carrier to compete with the buying power of other persons having similar jobs in private in-

dustry in that area. But more important than anything else is this: There is no discrimination with regard—

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. UDALL was allowed to proceed for 1 additional minute.)

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield further?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. There is no discrimination with regard to comparability under this bill as it was written by our subcommittee and adopted by the full committee. Every Federal employee is to reach comparability on the same day. That is the beauty of the Udall bill. It is true that the postal employees will receive 6 percent this year, and 5 percent in July of next year, but the amount that they receive in April of 1969 will be based on comparability the same as any other class of employee. All they can receive in April of 1969 is that amount necessary to bring them to comparability. It is true that we are taking the letter carriers and the clerks and other postal employees to their first step toward comparability a little bit quicker than the other employees, but there are good and sound reasons for doing this. And on April 1, 1969, every single employee of the Federal Government will have reached comparability if the administration carries out the intent and purpose of this legislation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCLURE. Mr. Chairman, I move to strike the requisite number of words.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. McCLURE. I yield to the gentleman from Virginia [Mr. Scott].

Mr. SCOTT. Mr. Chairman, in response to the comment that was made by the gentleman from Michigan, certainly I have no intention of discriminating in any way against the postal workers, but I do suggest that it is fair to give equal treatment to all employees. This amendment does not only relate to classified workers, it relates to those legislative employees which so many tears were shed about on the other side of the aisle a few minutes ago, these competent assistants of ours; it relates to the Veterans' Administration employees, and to all of the other white collar employees covered by the bill.

Mr. Chairman, the gentleman from Arizona referred to Mr. Scott's classified employees. I would say for the benefit of this House that the staff furnished me with a list of the number of classified employees in every State of our Nation, and in every State there are at least twice as many classified employees as there are postal workers. So these are your employees as well as Mr. Scott's employees.

I thank the gentleman for yielding.

Mr. McCLURE. Mr. Chairman, I yield back the balance of my time.

Mr. BRASCO. Mr. Chairman, I rise in opposition to the Scott amendment. Over 80 percent of the postal employees are in the first five levels of the pay

scale. These employees are mostly mail-handlers, clerks, and carriers. A large proportion of these positions are held by married men with families to support on comparatively low salaries. There is little or no opportunity for them to be promoted to higher pay levels. Therefore, the greatest need at this time is for action which will give them a substantial increase to help them meet the greatly increased cost of living, and make it possible for them to come closer to supporting a decent standard of living for their families.

Employees in other services have greater opportunity for promotion and, generally, are single employees entering the service right out of school at salary levels the equivalent of those paid married postal employees with many years of service.

In the opinion of the Post Office and Civil Service Committee these facts justify the additional 1½ percent being granted postal field service employees in the first stage increase.

Bear in mind that title II of H.R. 7977 in the second- and third-stage pay increases places all employees—postal field service, Classification Act, and all other groups—on the same basis. It provides that they all receive salaries comparable to those paid by private business for the work they are performing.

I would hope that the House does not disturb this delicate balance and would vote down the Scott amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Virginia [Mr. Scott].

The amendments were rejected.

AMENDMENT OFFERED BY MR. STEIGER
OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER, of Wisconsin: On page 75, immediately below line 2, insert the following:

"APPOINTMENT OF POSTMASTERS BY
POSTMASTER GENERAL

"SEC. 223. Section 3311 (relating to method of appointment of postmasters) of title 39, United States Code, is amended to read as follows:

"§ 3311. Method of appointment

"(a) The Postmaster General shall appoint postmasters at post offices of the first, second, and third classes in the competitive civil service without term. He shall make the appointments in accordance with the civil service laws and rules by—

"(1) competitive examinations; and
"(2) promotions from within the postal service.

"(b) The Postmaster General shall appoint postmasters at post offices of the fourth class without term.

"(c) Notwithstanding any other provision of law, the Postmaster General shall make each appointment to a position of postmaster at a post office of any class without regard to any recommendation or statement, oral or written, with respect to any person who requests, or is under consideration for, such appointment, made by—

"(1) any Member of the Senate or House of Representatives (including the Resident Commissioner from Puerto Rico); or

"(2) any official of a partisan National, State, county, or municipal or other local political party.

"(d) Notwithstanding any other provision of law, a person within the purview of

subparagraph (1) or (2) of subsection (c) of this section is hereby prohibited from making or transmitting to the Postmaster General, or to any other officer or employee of the Federal Government, any recommendation or statement, oral or written, with respect to any person who requests, or is under consideration for, appointment to a position of postmaster at a post office of any class. The Postmaster General and any other officer or employee of the Federal Government—

"(1) shall not solicit, request, consider, or accept any such recommendation or statement; and

"(2) shall return any such recommendation or statement, if written, received by him, appropriately marked as in violation of this section, to the person making or transmitting the same.

"(e) A person who requests, or is under consideration for, appointment to a position of postmaster at a post office of any class is hereby prohibited from requesting or soliciting any such recommendation or statement from any person within the purview of subparagraph (1) or (2) of subsection (c) of this section. An applicant making such solicitation or request, knowing the same to be in violation of this subsection, is disqualified for appointment to the position of postmaster concerned.

"(f) Each application form of the Federal Government used in connection with an application for appointment to a position of postmaster at a post office of any class shall contain appropriate language, in conspicuous and legible type in contrast by typography, layout, or color with other printing on such application form, informing the applicant of the provisions of this section."

"VACANCIES IN POSITIONS OF POSTMASTER

"SEC. 224. Section 3315 (relating to the filling of vacancies in positions of postmaster) of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The prohibitions, restrictions, and related provisions of section 3311 of this title governing the appointment of postmasters also shall apply with respect to the interim appointment, assignment, or designation of any person in accordance with subparagraphs (1) to (4), inclusive, of subsection (a) of this section."

"VACANCIES ON RURAL ROUTES

"SEC. 225. Section 3338 (relating to the filling of vacancies on rural routes) of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) The prohibitions, restrictions, and related provisions of section 3311 of this title governing the appointment of postmasters also shall apply with respect to the appointment of any person to a position of rural carrier and the application and assignment of any rural carrier with respect to any rural route."

"SAVING PROVISION

"SEC. 226. The amendments made by sections 223, 224, and 225 of this title shall not affect the status or tenure, on the effective date of such sections of—

"(1) postmasters in office;

"(2) persons appointed, assigned, or designated in accordance with subparagraphs (1) to (4), inclusive, of section 3315(a) of title 39, United States Code; and

"(3) persons holding positions of rural carrier."

On page 75, line 4, strike out "SEC. 223." and insert in lieu thereof "SEC. 227."

On page 75, immediately following line 15, insert the following:

"(4) Sections 223, 224, 225, and 226 shall become effective on January 1, 1968."

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that the further reading

of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is here objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. UDALL. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from Wisconsin.

The CHAIRMAN. The gentleman from Arizona reserves a point of order on the amendment offered by the gentleman from Wisconsin.

(Mr. STEIGER of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. STEIGER of Wisconsin. Mr. Chairman, briefly, this amendment is designed to remove the appointment of postal officials from political patronage. The amendment is identical to legislation which has been introduced in this session by a number of Members and calls for the transfer of the authority and procedure for post office appointments to first-, second-, and third-class offices and rural mail carriers from straight political patronage to the Civil Service system.

The amendment is aimed at creating more efficiency in the Post Office Department by allowing the appointment of the best-qualified personnel at the top level of the Department.

Today we use the position of postmaster as an award for political accomplishments.

In the process of awarding appointments to political friends, we are creating in my judgment one of the most inefficient post office operations in the world.

In our drive for efficiency, we must start at the top with those who are charged with seeing that the mail is delivered promptly. There is no reason for not filling those jobs with the most capable personnel. This is what this amendment is designed to do.

Mr. Chairman, we have talked in the course of our deliberations here yesterday and today about the quality of our employees, about trying to give them comparability, about trying to improve the efficiency and operation of our Post Office Department and about raising the rates necessary to pay for the operation. But nowhere in this legislation—unfortunately and regrettably—do we really begin to provide a method by which we can improve the operation of the Post Office Department. I think there has to be a fundamental change in the manner in which this Department is operated, and the most effective and most efficient step that can be taken is simply to stop playing politics with the Post Office Department. We can play politics here on the floor of the House of Representatives, but I do not think we can afford any longer with a post office that delivers 75 billion pieces of mail a year to play post office politics in 1967.

I trust the amendment will be adopted.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am delighted to yield to the gentleman from Michigan.

Mr. BROWN of Michigan. May I ask the gentleman from Wisconsin, is not this a part of the Congressional Reorganization Act?

Mr. STEIGER of Wisconsin. There is no question about it. It is part of the congressional reorganization bill.

Mr. BROWN of Michigan. Are there not many instances where appointments have been made and they have failed to be confirmed by the Senate year after year after year, thus creating a situation of complete instability in post offices around the country?

Mr. STEIGER of Wisconsin. Yes; that is correct.

Mr. BROWN of Michigan. I would like to point this out.

In my district I have a postmaster who was named acting postmaster in 1960 and who was reappointed in 1961, but he was not confirmed. He was again appointed in 1962 and he was acting postmaster for a time. He was again reappointed in 1963, 1964, 1965, and 1966 and again this year. But he never was confirmed. Finally, this year, he was confirmed as postmaster. I think this situation in my district points up the complete absurdity of the present system of the appointment of postmasters and of the rural carriers.

Mr. STEIGER of Wisconsin. I thank the gentleman for his support. I appreciate also the support of the distinguished gentleman from Massachusetts [Mr. CONTE] and the distinguished gentleman from Illinois [Mr. RUMSFELD], both of whom have been leaders in this fight to improve postal service by removing political influence.

Mr. RIEGLE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. RIEGLE. I want to associate myself with the remarks that have just been made. The gentleman's proposal here I think is a sound one and is long overdue. We have a situation right now in my district in Fenton, Mich., where we have a bad situation and where we have needed a postmaster now for months. Because the local political party there cannot solve its own in-house problems, they cannot agree on a postmaster. The result is that the postal service has suffered, postal morale has suffered, and the situation is going from bad to worse. I think this is typical of the kind of problem that occurs under conditions as they are today. We ought to take these postmasterships out of the political arena. I believe it is wrong to run the Post Office Department on the basis of political patronage.

I think the gentleman's amendment deserves bipartisan support because this is a step ahead for the people, and I support it enthusiastically.

Mr. HANNA. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. HANNA. I would like to state to the gentleman that so far as my own experience is concerned, I have in most situations recommended appointment within the post office. But my experience in this has led me to believe that if these

appointments are to be kept in politics, we ought to give that honor of naming the postmasters to the losing political party. In each instance I have found that I have made several enemies and one ingrate. I, therefore, would be in favor of that kind of change which would place this matter of appointment as a burden upon that party which fails to get sufficient votes of the people in an election.

The CHAIRMAN. Does the gentleman from Arizona [Mr. UDALL] insist upon his point of order?

Mr. UDALL. Yes, Mr. Chairman, I do. I am reluctant to do so because I favor the gentleman's amendment. But this is a matter of great moment and not to be decided here on the floor in the Committee of the Whole but it should be decided in a more orderly fashion and heard in committee. So, Mr. Chairman, I insist on the point of order.

The CHAIRMAN. Will the gentleman from Arizona state his point of order.

Mr. UDALL. Mr. Chairman, I make the point of order against the amendment that it is not germane to the title of the bill now under consideration and is not germane to the bill itself.

The bill now under consideration deals with salaries of the classified service, the Foreign Service, and other salary systems and procedures. There is nothing here about the appointment of Federal employees.

This amendment would involve amendments to the Hatch Act, to the Civil Service Act, and to many other statutes which are not before us at this time and, therefore, I think the amendment is not germane.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard on the point of order?

Mr. STEIGER of Wisconsin. I do wish to be heard on the point of order. I beg to differ with my eloquent and learned friend from Arizona. The bill H.R. 7977 purports to adjust certain postage rates, and for other purposes. Title II of the bill, in various and sundry places in that title, at pages 75 and 76 particularly, title 39 of the United States Code, which is the very title to which my amendment is directed, would be amended. Therefore, it would seem to me most appropriate that this bill is open to amendment in relation to title 39, since the bill itself is aimed at that very title.

I suggest to the Chair that the point of order is not well taken.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. I would like to support the gentleman in the well on the point of order. I join with him in the fond hope that we will be able to remove at least the accusation of politics, if not the fact, from the selection of postmasters. I call the gentleman's attention to the fact that in examining his amendment, he would substitute a new political arena for the existing political arena, and rather than, as the gentleman says, getting politics out of the selection of postmasters, he would inject an entirely new behind-the-scenes and out-

of-the-public-view type of politics for the present pleasant open-patronage system, which I find eminently more desirable than his proposed new political system.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I support the gentleman in the well in his response to the point of order. I would point out to the Chairman and the members of the committee that on page 39 of the bill reference is made to the title to which the gentleman refers. The gentleman from Wisconsin has offered an amendment which would amend title 39, section 203 of the bill. I have a practically identical amendment at the desk presently. Some research has been done on this point of order. I think the point of order made by the gentleman from Arizona [Mr. UDALL], should not be sustained.

The CHAIRMAN. The Chair is prepared to rule. The Chair has examined the language of the amendment. The title under consideration deals solely with compensation of governmental employees. The amendment deals with the appointment of postmasters by the Postmaster General. The Chair therefore holds that it is not germane to the title under consideration and sustains the point of order.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 42, strike out lines 10 to 15, inclusive, and insert in lieu thereof the following:

"(a) There is established a basic compensation schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule and for which the symbol shall be 'PFS'. Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule."

On page 42, in the parenthetical matter immediately below line 15, strike out ", and ending immediately before the effective date of Postal Field Service Schedule II set forth below"

On page 42, immediately below the parenthetical matter following line 15, strike out "Postal Field Service Schedule I" and insert in lieu thereof "Postal Field Service Schedule".

On page 43, strike out all of Postal Field Service Schedule II immediately preceding line 1.

On page 43, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following:

"(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be 'RCS'. Compensation shall be paid to rural carriers in accordance with such schedule."

On page 43, immediately below line 7, strike out "Rural Carrier Schedule I" and insert in lieu thereof "Rural Carrier Schedule".

On page 43, in the parenthetical matter below line 7, strike out ", and ending immediately before the effective date of Rural Carrier Schedule II set forth below"

On page 43, strike out all of Rural Carrier Schedule II at the bottom of the page.

On page 45, line 14, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 45, lines 24 and 25, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 46, lines 6 and 7, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 47, strike out lines 8 to 24, inclusive.

On page 55, strike out line 3 and all that follows down through the period in line 16 on page 57.

On page 57, line 18, strike out "SEC. 213." and insert in lieu thereof "SEC. 212.".

On page 59, line 13, strike out "SEC. 214." and insert in lieu thereof "SEC. 213.".

On page 61, line 5, strike out "SEC. 215." and insert in lieu thereof "SEC. 214.".

On page 61, line 19, strike out "SEC. 216." and insert in lieu thereof "SEC. 215.".

On page 68, line 21, strike out "SEC. 217." and insert in lieu thereof "SEC. 216.".

On page 68, lines 21 and 22, strike out "213 (d), 214, 215, and 222" and insert in lieu thereof "212(d), 213, 214, and 221".

On page 69, line 4, strike out "SEC. 218." and insert in lieu thereof "SEC. 217.".

On page 69, line 9, strike out "SEC. 219." and insert in lieu thereof "SEC. 218.".

On page 70, line 19, strike out "SEC. 220." and insert in lieu thereof "SEC. 219.".

On page 73, line 4, strike out "SEC. 221." and insert in lieu thereof "SEC. 220.".

On page 74, line 18, strike out "SEC. 222." and insert in lieu thereof "SEC. 221.".

On page 75, strike out line 4 and all that follows down through the period in line 6 on page 76 and insert in lieu thereof the following:

"SEC. 222. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 215, 218, 219, and 220 shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 212 (except subsection (d)), 213, and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 212(d), 214, 217, and 221 shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees all changes in rates of pay which result from the enactment of this title (except sections 207, 212(d), 214, 215, and 221) shall be held and considered to become effective as of the date of such enactment."

Mr. UDALL (during the reading): Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The gentleman from Iowa is recognized.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, the effect of my amendment is to strike from the committee amendment the provisions that would give postal employees a further automatic 5 percent salary increase next July 1; that would delegate authority to the President to give all other Federal employees salary increases in

yet undetermined amounts on the same date; and that would give the President authority to make further unknown salary increases to all Federal employees, including postal employees, on April 1, 1969.

The provisions in the committee amendment are completely at odds to what I hope is the present mood of this House. The committee would have Congress completely abdicate its obligations and responsibilities in the field of Federal salaries and it would, in effect, be giving the President a postdated blank check to be cashed in the future in any amount. In view of what has happened here lately, we cannot afford the luxury of such irresponsibility.

It is absolutely imperative that the Congress maintain constant control over the Federal payroll, which now exceeds \$20 billion a year. This is not the time to be issuing blank commitments that would add almost \$3 billion to the total payroll by 1970. The times in which we live, if never before in our history, require extreme fluidity in meeting the day-to-day challenges that threaten our society. We simply must not shackle the American people with a burden that could be intolerable by the year 1970.

There is no reason whatsoever why the Congress should abdicate its authority over Federal salaries to any President. There is even less reason to mandate the President to raise salaries regardless of what conditions might be at the time—whether in 1968 or 1969.

The authority over Federal salaries must remain in Congress. Since 1962, five pay raises have been enacted for Federal employees, and if additional pay raises in 1968 and 1969 are right and proper they can be enacted at those times with full consideration not only to the welfare of the employees involved, but to the welfare of the country and the taxpayers.

There is another aspect to these so-called automatic comparability catch-up provisions that I find intriguing. Because the committee amendment intends no further upward pay adjustments until 1970 for Federal executives, the \$28,000 salary for executive level V will continue to be the ceiling for all career salaries. Since the President, in effect, is being mandated to raise career salaries in two steps to achieve so-called full comparability by April of 1969, yet is limited to the ceiling of \$28,000 per year, the effect is going to be to completely distort all four statutory salary systems so that a large number of employees in the upper grades will, regardless of grade or duties, be all making approximately the same salaries.

If it is intended to try to keep some pay distinctions in the levels by not giving all employees the exact percentage increases they should have to achieve so-called comparability, then I submit that the entire comparability catch-up provision is a fraud and a sham. Its only justification in the bill, according to its authors and according to the report, is to assure the employees now being short-changed that they will definitely achieve comparability by 1969.

Mr. Chairman, there are simply too

many flaws in these provisions and too many imponderables in the future for the Congress to relinquish any control over this critical area of Federal spending.

The gentleman from Texas, the distinguished chairman of the Appropriations Committee, a week ago last Friday on this floor, discussing the continuing resolution, admonished the House not to dodge its responsibilities by saying that it is incompetent to decide what funds are to be spent. He said it would be "an abdication by Congress, a downgrading of our responsibility, and the wrong approach." If my amendment is not adopted and if this complete abdication of congressional responsibility remains in the committee amendment, the majority may as well forget any further appeals on the basis of responsibility.

I urge the adoption of my amendment.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New Jersey.

(Mr. JOELSON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. JOELSON. Mr. Chairman, I want at this time to express my support of this attempt to bring comparability to postal employees. There is no justifiable reason for treating our letter carriers and postal clerks differently from employees in private industry.

No long statement on my part is necessary. I intend to do my speaking with my vote which will be a loud and clear "aye."

Mr. UDALL. Mr. Chairman, first of all, on the proposition of delegation of authority or control, as far as the postal field service is concerned, there is no delegation on the second phase of the postal field service raise. The table is printed on page 43. This is not delegation of any congressional power. This is what we ought to be doing. We say to the President and to the Federal employees, "We are going to have full comparability." We promised it 5 years ago, and they are going to get it after 2 years from now. We are going to put it into effect in three stages.

Any third-rate bookkeeper can take the figures from the Bureau of Labor Statistics and get the comparability adjustments in the next 2 years and put into effect the formula Congress writes into this bill. So there is no delegation of power. We are declaring a policy and telling the President and his people to get some calculating machines and carry out that policy in two stages.

This amendment is proposed in part as an economy amendment. Let me say it is not economy. It will not save money. It will cost money.

I pointed out a little while ago that if this bill is passed we are going to have something very unusual and something very delightful around here next year. That will be the first election year in my memory when there will not be a Federal pay bill before Congress. I believe that is a pretty good thing.

I had an amendment similar to this in 1965. We ended up with a bitter and divisive fight in 1966, after that three-phase thing was stricken out by the other body and we concurred.

This is an orderly three-phase salary adjustment which will redeem the promise Congress made in 1962 that we were going to pay comparable salaries to Federal employees.

I said in my argument against another amendment a little while ago that the compromise this year was a very fragile one. Everyone got something he had to have. The thing we gave to the classified employees was full comparability in the second and third stages. We said, "You do not get as much as the postal workers in the first stage. You do not need it as badly. But you will get more in the second and third stages."

So if we take away the part of that compromise which is valuable to 1.3 million classified workers, by knocking out the second and third stages as this amendment would do, it would be a serious mistake.

I believe we have a sound pay bill. I urge the committee to support the Committee on Post Office and Civil Service in this excellent compromise we have worked out.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in vigorous opposition to the amendment offered by the gentleman from Iowa.

Mr. Chairman, the gentleman's charge of unidentified increases in 1968-69 contained in title II are unfounded.

Title II provides that the increases in those fiscal years shall be as follows:

In 1968 one-half of the amounts by which such rates are exceeded by the rates of pay paid for the same levels of work in private enterprise.

The gentleman knows that these amounts are based upon annual studies by the Bureau of Labor Statistics, authorized and directed by the Congress for the specific purpose of determining the differences, if any, between Federal salaries and those paid in private enterprise for the same work.

In 1969 the bill directs that Federal salaries should be increased in an amount necessary to bring them up to comparability with those in private industry. This, of course, will be on the basis of Bureau of Labor Statistics as we directed.

The Congress has broken faith with the Federal employees. It promised comparability 5 years ago. In my opinion it is time we kept our promise. Even if we approve these increases to catch up with the salaries in private enterprise 7 years will have elapsed since the Congress adopted the policy. This, in my opinion, is grossly unfair to the Federal employee and the taxpayer.

Also, I would like to point out to the Members—if we do not provide for these increases now this body will be faced with pressures for pay increases each year that you can be sure will be far more costly than those provided for in this bill.

In 1962, the Congress said:

Statutory pay systems have failed to meet the needs of today's Federal Service. Absence of an accepted standard for Federal salaries and a procedure for periodical review and adjustment coupled with rigid statutory rules of pay administration, deprive the systems of the adaptability so essential in a period of rapidly changing conditions. Major inequities exist between the Federal employee and his equals throughout the national economy.

The Federal Salary Reform Act established a basic, uniform pay policy that covers all four of the major statutory pay plans. The policy as stated in section 502 of the act is as follows:

The Congress hereby declares that, whereas the functions of a Federal salary system are to fix salary rates for the services rendered by Federal employees so as to make possible the employment of persons well-qualified to conduct the Government's programs and to control expenditures of funds for personal services with equity to the employee and to the taxpayer, and whereas fulfillment of these functions is essential to the development and maintenance of maximum proficiency in the civilian services of Government, then, accordingly, Federal salary fixing shall be based upon the principles that—

a. There shall be equal pay for substantially equal work, and pay distinctions shall be maintained in keeping with work and performance distinctions; and

b. Federal salary rates shall be comparable with private enterprise salary rates for the same levels of work.

Salary levels for the several Federal statutory salary systems shall be interrelated, and salary levels shall be set and henceforth adjusted in accordance with the above principles.

Annual surveys conducted by the Bureau of Labor Statistics, Department of Labor, furnish private enterprise salary data for occupations representative of positions in the Federal Service.

Also applicable to the four major statutory pay plans is a feature of the Salary Reform Act which permits the President to establish special salary rates to relieve recruiting or retention handicaps. Whenever the Civil Service Commission, under authority delegated by the President, finds that private enterprise salary rates are so substantially above Federal rates as to handicap significantly the Government's recruitment or retention of well-qualified persons, it may establish higher minimum rates of pay for the occupational levels and geographic areas concerned and may make corresponding increases in other rates of the range or ranges concerned. And I intend to offer an amendment to authorize this same practice in the postal service.

Since 1962 the Bureau of Labor Statistics has been making studies of positions of the same levels of work in Government and industry to determine how their salaries compare. Consistently the Bureau has found that Federal salaries lag behind those for comparable levels of work in private enterprise.

Never since 1962 has the Congress taken the action to honor the commitment made at that time to close the pay gap. It is about time we did so. H.R. 7977 honors that commitment. It provides for closing the comparability pay gap by April of 1969—7 years after Congress said that it should be done and committed itself to do so.

I urge all Members to be honorable in our commitment to Federal employees and vote for the provisions of H.R. 7977 as reported by the committee.

(Mr. WILLIAM D. FORD asked and was given permission to revise and extend his remarks.)

Mr. HALPERN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment because it is an outright violation of the pledge we gave to Federal employees in 1962. Yes, it is now 5 years since Congress pledged itself to achieve and maintain the goal of comparability of Federal pay rates with those in private industry. At last, after 5 years, we have a pay bill—H.R. 7977—which will realize this goal by April of 1969. Justice requires that we fulfill our moral obligation to Federal employees by passing this legislation, and that we do not permit any mistaken notion of economy to persuade us to shortchange the men and women who serve the U.S. Government so loyally and effectively, and who have done so through the years at rates of compensation considerably below wages and salaries paid by private industry for comparable work.

In 1962, Congress recognized how unfair it is that Federal civil service personnel serve their Government and their country at an economic sacrifice. And in that year, we passed Federal salary legislation which included a provision by which Congress assumed the obligation to raise Federal pay rates until Federal employees receive compensation equal to that received by people in private industry for work requiring comparable competence and responsibility.

That was in 1962, Mr. Chairman. Now, in 1967, we are in process of realizing for the first time the principle of equal pay for equal work, to which we pledged ourselves 5 years ago.

One difficulty under which we have labored during the past 5 years is that of providing ourselves with sufficiently current figures of wages and salaries in private industry.

The 1962 Federal pay bill provides for an annual survey of pay scales in private industry. Wages and salaries in private industry are then to be compared with what the Federal Government pays its civil servants for performing work requiring comparable ability. On the basis of this comparison, the President is to report to Congress every year on the lack of comparability between pay rates in private industry and in the public service, and he is to recommend whatever adjustment of Federal pay rates may be necessary to bring Federal pay into line with what business and industry are paying their people.

This should be a reliable procedure to follow as a means of achieving comparability and of maintaining comparability once achieved. But the success of this procedure is conditional upon obtaining up-to-date figures for wage and salary scales in private industry. It is a fact that pay rates in the private sector of the economy go up on an average of 3.6 percent per year. Evidently, then, a lag of even a few months in obtaining these figures as a basis of comparison with

Federal pay would mean that adjustments of Federal pay rates would never suffice to attain comparability.

In his message on Federal pay this past April, President Johnson reported to us that wages and salaries in the Federal service are, on an average, 7.2 percent below those which private industry pays for work requiring comparable competence.

The comparability gap is far greater today than it was in April. In fact, it was far greater in April than the President reported it to be. The figure of 7.2 percent represented the average lack of comparability in February and March of 1966. Assuming—as it is accurate to do—that wages and salaries in private industry rise about 3.6 percent per year, the comparability gap in April of 1967 was probably closer to 10.8 percent than 7.2 percent. And if the first step of the Government pay raise goes into effect as of October 1 of this year, the average lack of comparability on the date of this first-step raise would probably be between 12 and 13 percent.

The Bureau of Labor Statistics is the agency responsible for collecting data regarding pay rates in private business and industry. Mr. John Macy, chairman of the Civil Service Commission, has reported that the Bureau of Labor Statistics is working out new techniques for collecting statistics, so that the annual comparison which the President makes will be based on figures 6 or 7 months old instead of a year old. It is urgent that the Bureau give us as up-to-date figures as possible.

Despite the lack of current data, the Post Office and Civil Service Committee has approved a pay bill which should insure that comparability will be achieved eventually. This bill does not guarantee that comparability will be maintained thereafter—maintaining comparability is a continuing duty which neither the President nor Congress must relinquish. H.R. 7977 provides that between October 1 of this year and April 1, 1969, pay rates for classified Federal workers will be raised by 17.2 percent, those of Foreign Service personnel by 21.8 percent, salaries of personnel in the medical and surgical services of the Veterans' Administration by 20.3 percent, and pay of postal workers by 12.3.

But I regret very much, Mr. Chairman, that neither the President nor the committee has seen fit to propose a more adequate pay raise this year as a longer step toward full comparability. The bill provides no more than a 4.5 percent pay raise for classified employees this year. I should think fairness dictates that the first step toward comparability be the longest. Federal workers have been waiting for years to receive what is due them. They must wait 18 months more—or longer, if the administration succeeds in delaying the third and final raise for an additional number of months. I think it is true to say with regard to Federal wages and salaries that justice delayed is justice denied. This being so, it is certainly regrettable that the pay raise to go into effect this year is so inadequate.

I keenly regret, Mr. Chairman that for the second time in 2 years the President

has vetoed legislation to provide liberalized life insurance for Federal employees.

No workingman is providing adequately for his family unless he is making provision for his survivors. I think it is a sorry thing that the Federal Government does not help its workers to provide their survivors with more adequate life insurance. The provisions of the life insurance bill which the President vetoed this year would have meant a great deal to widows of Federal workers who—especially if they have minor children—must face new economic problems.

The legislation this year was carefully designed by both Houses to be non-inflationary—indeed, the annual cost of this year's legislation would have been about \$60 million, which is one-third less than the yearly cost of last year's bill.

While I have the floor, although unrelated to the amendment I do want to hail this bill for another provision in it that is much merited and I trust it will be retained. This year's bill would help Federal workers to provide more adequately than they can now for the security of their survivors.

In the first place, the minimum insurance for employees earning less than \$7,500 a year would have been raised to \$10,000. This is certainly a minimal sum to a widow entering a difficult period of replanning her life. The legislation would have raised the maximum insurance to \$40,000, which is surely justifiable. I strongly supported raising coverage from 100 percent of the Federal worker's pay to 133 percent. The President called this increased coverage "an unwarranted" and "unnecessary expense." Most widows of Federal workers would take a less casual view of the matter, I believe.

The provision of the life insurance legislation which would have raised the Government's share of premium payments from 33½ percent to 40 percent—and the President objected to this also—this increase in the share of the premium which the Government pays would have made the Government's insurance program bear a little more resemblance to the practices of private business. The Bureau of Labor Statistics reported 2 years ago that among private corporations which have group life insurance programs, 58 percent of these corporations pay the total cost of the premium.

Both in regard to pay rates and in regard to life insurance, the United States fails to be the model employer that it ought to be.

To get back to the amendment of the distinguished gentleman from Iowa, I feel it is unfair; it is a violation of our clearly declared word and it is not in the public interest. I trust it will be overwhelmingly defeated.

(Mr. HALPERN asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

Mr. UDALL. Mr. Chairman, I rise to

seek an agreement on a limitation of time. Before I make a unanimous-consent request I should like to ask those Members who have amendments to offer to title II to stand.

Mr. Chairman I ask unanimous consent that all debate on title II and any further amendments to title II close at 6:15 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. CORBETT. Mr. Chairman, reserving the right to object, I do not know how long it will take for the amendment of the gentleman from Florida. Can the gentleman give us any idea?

Mr. GURNEY. There are only two more amendments to be offered; is that correct?

Mr. UDALL. I counted three over here, I believe. We should have adequate time, at 6:15.

Mr. CORBETT. Mr. Chairman, I withdraw my reservation.

Mr. GURNEY. Mr. Chairman, reserving the right to object, how many amendments are pending at the desk to title II?

The CHAIRMAN. There are six at the desk. The Chair does not know whether they will be offered.

Mr. GURNEY. May I ask the gentleman from Arizona how many he counted who wanted to offer amendments to title II?

Mr. UDALL. I thought there were three total.

To resolve this, Mr. Chairman, I amend my previous unanimous consent request. I think we could beat this time, but I ask unanimous consent that all debate on title II and all amendments thereto cease at 6:20 p.m., with the understanding that we will try to work everything in.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

AMENDMENT OFFERED BY MR. CORBETT

Mr. CORBETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORBETT: On page 76, following line 6, add a new section to read as follows:

"ABSORPTION OF COSTS

"SEC. 224. (a) That part of the total amount of the increases provided by this title for the fiscal year ending June 30, 1968, for officers, employees, offices, and positions in the executive branch of the Government which is in excess of the total amount of allowances in the budget of the United States Government for the fiscal year ending June 30, 1968, for increases in pay for civilian officers, employees, offices, and positions in the executive branch of the Federal Government shall be absorbed by the departments, agencies, establishments, and corporations in the executive branch (other than the postal field service); and no amount beyond the additional sum for such compensation increases proposed in the budget for the fiscal year 1968 is authorized to be appropriated by any provision of this Act. The total amount of such absorption shall be allocated by the Bureau of the Budget among such departments, agencies, establishments, and corporations (other than the postal field service) in such manner and to such extent as the Director of the Bureau of the Budget

deems appropriate in the light of their essential functions.

"(b) Pursuant to the objective of this section, heads of the executive branch activities concerned are directed to review with meticulous care such vacancy resulting from voluntary resignation, retirement, or death and to determine whether the duties of the position can be reassigned to other employees or whether the position can be abolished without seriously affecting the execution of essential functions.

"(c) Nothing contained in subsection (a) of this section shall be held or considered to require (1) the separation from the service of any individual by reduction in force or other personnel action or (2) the placing of any individual in a leave-without-pay status."

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. CORBETT. Mr. Chairman, the amendment requires each department and agency of the executive branch, with the exception of the postal field service, to absorb the full cost of the pay raises provided in the bill for fiscal 1968 that are in excess of the amounts contained in the fiscal 1968 budget.

In his budget for fiscal 1968, the President included the sum of \$1 billion for both civilian and military pay raises. The pay raise bill submitted by the President himself for civilian employees would have cost \$547.3 million for fiscal 1968. The pay raises provided for in title II for the executive branch will cost \$625 million in fiscal 1968.

Accordingly, the amendment will require absorption of costs that exceed the President's recommendations of \$547 million, or approximately \$78 million.

Under the amendment, the Director of the Bureau of the Budget will have the authority to allocate among the executive agencies, with the exception of the postal field service, the cost absorptions in such manner and to such extent as he deems appropriate in the light of their essential functions.

The amendment specifically provides that no employee shall be separated or placed in a leave-without-pay status by reason of the cost absorption.

Mr. Chairman, I say to you that this particular amendment can easily be accomplished by absorption and will have the net result of having this pay raise occur without increasing the deficit.

Mr. DULSKI. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I am happy to yield to the chairman of the committee.

Mr. DULSKI. Mr. Chairman, we are ready to accept the amendment on this side and we have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CORBETT].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MACHEN].

AMENDMENT OFFERED BY MR. MACHEN

Mr. MACHEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACHEN: On page 36, strike out all of the General Schedule immediately preceding line 1 and insert in lieu thereof the following:

"GENERAL SCHEDULE

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,790	\$3,918	\$4,046	\$4,174	\$4,302	\$4,430	\$4,558	\$4,686	\$4,814	\$4,942
GS-2.....	4,121	4,261	4,401	4,541	4,681	4,821	4,961	5,101	5,241	5,381
GS-3.....	4,484	4,635	4,786	4,937	5,088	5,239	5,390	5,541	5,692	5,843
GS-4.....	5,015	5,183	5,351	5,519	5,687	5,855	6,023	6,191	6,359	6,527
GS-5.....	5,598	5,783	5,968	6,153	6,338	6,523	6,708	6,893	7,078	7,263
GS-6.....	6,160	6,368	6,576	6,784	6,992	7,200	7,408	7,616	7,824	8,032
GS-7.....	6,774	6,998	7,222	7,446	7,670	7,894	8,118	8,342	8,566	8,790
GS-8.....	7,421	7,668	7,915	8,162	8,409	8,656	8,903	9,150	9,397	9,644
GS-9.....	8,081	8,355	8,629	8,903	9,177	9,451	9,725	9,999	10,273	10,547
GS-10.....	8,842	9,145	9,448	9,751	10,054	10,357	10,660	10,963	11,266	11,569
GS-11.....	9,682	10,013	10,344	10,675	11,006	11,337	11,668	11,999	12,330	12,661
GS-12.....	11,474	11,872	12,270	12,668	13,066	13,464	13,862	14,260	14,658	15,056
GS-13.....	13,521	13,991	14,461	14,931	15,401	15,871	16,341	16,811	17,281	17,751
GS-14.....	15,863	16,412	16,961	17,510	18,059	18,608	19,157	19,706	20,255	20,804
GS-15.....	18,431	19,068	19,705	20,342	20,979	21,616	22,253	22,890	23,527	24,164
GS-16.....	21,080	21,784	22,488	23,192	23,896	24,600	25,304	26,008	26,712	
GS-17.....	23,898	24,696	25,494	26,292	27,090					
GS-18.....	27,185									

(Mr. MACHEN asked and was given permission to revise and extend his remarks.)

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona.

There was no objection.

Mr. MACHEN. Mr. Chairman, I would like to propose an amendment to section 202(a) of H.R. 7977 to substitute a 5-percent pay increase for Federal classified workers instead of the 4.5-percent increase now provided for in the bill.

I do not believe I need go into a detailed explanation of why this additional one-half percent is necessary. In view of the wealth of information available on what pay increase is needed to bring Federal classified employee salaries to the point where they are comparable to those paid in private industry, I believe it is obvious that while a 5-percent increase is not nearly enough, it is certainly better than 4.5 percent.

In his message last April, President Johnson indicated that, based on a survey conducted by the Bureau of Labor Statistics of the Department of Labor, a 4.5-percent raise for all Federal employees was in order. The report the President referred to was dated February-March 1966. It has now been over 18 months since material for that report was gathered. During that time wages paid by private industry have again increased. Therefore, I believe that the 5-percent raise I propose for Federal classified workers, coupled with the 6-percent postal workers' raise provided for in the bill we are now considering, represent the bare minimum we can, in good conscience, offer our Federal civil servants.

Through the years, this Nation has built up a corps of public servants whose ability and dedication is unequalled. Our career employees are well trained and experienced. They are, in more and more

instances, skilled professionals. They include not only administrators and managers but doctors, lawyers, diplomats, and a broad spectrum of others who are critically needed now more than at any other time in the Nation's history to continue to provide the topflight services which taxpayers rightfully demand.

Very few of these men and women come to the Federal service by chance. They come because they see the challenge of the many varied and far-reaching problems which the Nation faces today on the domestic as well as the international scene. They come because the Federal service offers them a chance to take a hand in building a greater America through creative federalism.

The principle that Federal employees should receive salaries at least equal to those of employees in the private sector of the economy doing similar work has been with us for some time. The Federal Pay Reform Act of 1962 extended to these employees the promise that pay comparability would at last be reached. This, as we all know too well, was 5 long years ago.

Year after year the annual survey of the Bureau of Labor Statistics has shown plainly that salaries of like positions in private enterprise were above those paid in the Federal service. Year after year, our employees have been told that this was not the year to take up all the slack, that this was not the year to pay the debt which in effect, the Federal Government owed them.

Each time the Federal pay raise question is considered, our employees have hoped that perhaps at last the 1962 pledge of pay comparability would be redeemed. However, it is only human nature to grow weary of yesterday's guarantees which have become only today's assurances of a better tomorrow. Federal employees are now becoming impatient, as I am becoming impatient, and I believe they have every right to feel that their employer has, in a sense, let them down.

Last year, and the year before, we were forced to accept token raises for

Government employees because of the threat of a veto. I had hoped that this year pay comparability would at last be reached and I introduced a bill early in this session which would have reached this end.

However, the bill we are considering today represents a compromise between the President's initial request of 4.5 percent and pay comparability by October 1969, and what many of us strongly believe is needed.

Therefore, the amendment I propose today represents a greater step toward comparability but one that is economically feasible. In view of our longstanding pledge to meet the goal of full comparability, I urge my colleagues to accept my amendment for a 5-percent Federal classified pay raise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MACHEN].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GURNEY].

AMENDMENT OFFERED BY MR. GURNEY

Mr. GURNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GURNEY: On page 76, following line 6, add a new section as follows:

"SEC. —. Notwithstanding any other provisions of this title, officers and employees of the Office of Economic Opportunity shall not receive any increase in basic salary by reason of the enactment of this Act, and such officers and employees shall continue to receive compensation at the same rate of compensation in effect on the day immediately before the effective date of the salary increases provided by section 202."

(Mr. GURNEY asked and was given permission to revise and extend his remarks.)

Mr. GURNEY. Mr. Chairman, what this amendment would accomplish is simply this: It would provide that there would be no pay raise in this bill, which we are considering in the Committee of the Whole House on the State of the Union, for officers and employees of the Office of Economic Opportunity.

Mr. OLSEN. Mr. Chairman, would the gentleman yield?

Mr. GURNEY. Not at this point.

Mr. Chairman, this is a somewhat unusual amendment singling out a particular agency of the Government for no salary raise, but I believe unusual problems call for unusual treatment.

I believe it is fair to say there has never been a more unusual agency in the history of the Federal Government than the Office of Economic Opportunity. Everyone in the House knows of the extraordinary pay situation in the ranks of the poverty warriors. Paraphrasing what Winston Churchill once said, "Never have so few Federal employees received so much pay."

As a matter of fact, there are 25 on the payroll of the Office of Economic Opportunity who receive more basic pay than that of General Westmoreland, who commands half a million troops in South Vietnam. These fellows here command only a few thousand.

Let us compare their pay, for example, with the Office of Education, which is a fair comparison, I believe.

In the highest top salary there are 12 in the Office of Economic Opportunity who receive a salary of \$25,382. There are only three in the Office of Education. There are six in the poverty war ranks who receive over \$25,382. There is only one in the Office of Education.

Mr. WILLIAM D. FORD. Mr. Chairman, would the gentleman yield?

Mr. GURNEY. Not until I finish my statement.

There are five in the Office of Economic Opportunity who get more pay than the Commissioner of Education.

For example, in the Office of Economic Opportunity last year they had 2½ times the number of permanent employees that the Office of Education has, although the Office of Education has almost twice as much money that it spends.

Here is a figure that the House ought to listen to carefully. Last year \$4 out of every \$100 appropriated to the Office of Economic Opportunity went for salaries. In the Office of Education only 70 cents out of every \$100 went for salaries.

Take a look at the ratio of supergrades in the poverty workers' headquarters. There is one supergrade person, that is GS-16 to GS-18, to every 43 in grades 1 to 15. Now, in NASA, which is filled with engineers, topflight technical people, there is only one supergrade person for 105 of the other grades.

Over in the Justice Department—and there are many who are lawyers in the House of Representatives here—there is a ratio of one in the Justice Department to 148, as opposed to one to 43 in the Office of Economic Opportunity.

I could go on down through and give you similar examples.

Let us talk, for example, about one of the Job Corps camps, this came out in the testimony in last year's bill, where we had 208 staff personnel at Camp Gary Men's Job Center making \$9,000 a year or more, and that meant at that figure that many of those 208 personnel had their salaries doubled over what they were receiving before.

Mr. Chairman, we have a problem in education—

The CHAIRMAN. The time of the gentleman has expired.

Mr. AYRES. Mr. Chairman, I move to strike the requisite number of words.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

Mr. Chairman, I certainly want to compliment the gentleman from Florida for offering this amendment. As I am sure the gentleman knows, I offered a supergrade amendment at the last session which passed in the House and was taken out in the Senate. I certainly hope that through his method we can accomplish the same purpose.

Mr. GURNEY. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Florida.

Mr. GURNEY. Mr. Chairman, I thank the gentleman for yielding, and I want to make two more points: One point in the area of education. All over the country today we are having a problem with teachers' salaries. We have them in my own State of Florida. We have had them in New York City, we had them in Detroit, and I believe the reason why we do have these problems is because so many other people are being paid more money than are teachers.

In this same Camp Gary down in Texas, for example, 154 of the 208 staff people were former teachers who were teaching school before the Job Corps people bought them off with more money. Is there any wonder why we have problems in education?

Mr. Chairman, there is one other point I would like to make, and it is a very important point:

I suppose that when the opposition will come to this amendment the argument will be made that we ought to wait on this matter and not handle it until the poverty war bill comes on the floor.

Let me remind the Members of the House of Representatives that the scuttlebutt going around in the halls and on the floor even today is that we may never see the poverty war bill this year at all. You know that is a possibility as well as I do. So I say to you, if you want a chance to vote on poverty war salaries, here is the chance right now. I think it will be a very popular decision with the people back home.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. HALL. I want to compliment the gentleman in the well who has just submitted this amendment.

I think that time has proved, if public reaction is any guide, that the purse-string approach to this war on poverty which benefits the warriors and not the poverty stricken, and an approach which eliminates the supergrades in a program which costs \$7,700 per Job Corps employee, to say nothing of the bad situations that have been found and discovered in many of the OEO installations; as I say, the time for that purse-string kind of approach is here.

This amendment is now apparently the only way that it can be done. I would say that in the sad event that the poverty war bill does get on the floor at some future date in this session, the only thing that would be better than limiting the automatic pay raise to those people who are poverty warriors and thus separate them from those who would be helped by general legislation, would be to eliminate the entire bill.

I think the public is demanding this. I compliment the gentleman from Florida on his amendment and appreciate the gentleman from Ohio yielding to me.

Mr. OLSEN. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. OLSEN. I want to say that we should defeat this amendment because obviously the amendment is talking about cheaper pay for people instead of

giving them comparability. The whole issue on the floor here is to try to get comparability for people. We do not want to reduce teachers or reduce anybody—we want comparability.

Our friend, the gentleman from Arizona, has worked hard on this problem and I think we ought to support him and defeat the amendment.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. AYRES] has expired.

Mr. WAGGONER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair will state to the gentleman that time has been limited by unanimous consent, and the gentleman's name is not on the list of Members who sought to be recognized at that time.

The question is on the amendment offered by the gentleman from Florida [Mr. GURNEY].

The question was taken; and on a division (demanded by Mr. UDALL), there were—ayes 86, noes 68.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. WILLIAM D. FORD

Mr. WILLIAM D. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAM D. FORD: On page 49, following line 25, add subsections (c), (d), and (e) to section 207, to read as follows:

"(c) Section 5303 (a) of title 5, United States Code, is amended by inserting immediately before the semicolon at the end of subparagraph (2) thereof 'except positions in the postal field service which are unique to the service'.

"(d) That part of the text of chapter 45 of title 39, United States Code, under the heading 'Salary Steps and Promotions' is amended by adding at the end thereof the following new section:

"§ 3516. Higher minimum rates; Presidential authority

"(a) When the President finds that the pay rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the rates of basic compensation of those positions in the postal field service which are unique to that service as to handicap significantly the Government's recruitment or retention of well-qualified employees for such positions, he shall establish for such positions in the areas or locations higher minimum rates of basic compensation for one or more levels and shall make corresponding increases in other step rates of the pay range for each such level.

"(b) Within the limitations of subsection (a) of this section, rates of basic compensation established under that subsection may be revised from time to time by the President.

"(c) An increase in rate of basic compensation established under this section is not an equivalent increase in compensation within the meaning of section 3552 of this title.

"(d) The rate of basic compensation established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the compensation of employees in the postal field service, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President.

"(e) All actions, revisions, and adjustments under this section have the force and effect of statute.

"(f) The President may authorize the Postmaster General to exercise the authority conferred on the President by this section."

"(e) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3561. Higher minimum rates; Presidential authority."

immediately below—

"3560. Salary protection."

Mr. WILLIAM D. FORD (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD. I will try to explain it.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Chairman, the Committee on Compensation worked very carefully over a provision that would have streamlined, in my opinion, our policies with regard to the setting of pay in the postal service, by providing a means whereby the very special problems encountered in the recruitment and retention of personnel in our post offices in the relatively high-wage areas of the country are encountered. This language was stricken in the full committee on the motion of the gentleman from Iowa. I am sure it will be opposed here for the same reasons set forth at that time.

During the hearings, which were long and very exhaustive, we learned that nowhere in the country is the postal service in more trouble than in the high-wage areas that are in and around our major cities in this country. We have reports that show comparison of the wages which are being paid in the areas in which the postal workers are employed. We have examples of employees leaving the post office with 10 years of seniority because they can start work in a factory adjoining or in the near vicinity of the post office in which they have been employed at better wages than they were receiving after more than 10 years in the post office.

The amendment will not raise anyone's pay at this particular time. I wish that it did. But it does not. What it does do is to make it incumbent upon the executive branch to make a determination as to where in this country the postal pay is far out of line with wages for comparable occupations in that area and it is not possible for the postal service to recruit and retain the people that we need.

There are two points of view involved in this entire legislation. One is the point of view of management. As Members of Congress we have to occupy, temporarily at least, the position of management in considering this legislation. I would like to address myself to you first as representatives of management. As representatives of management you ought to be for this amendment, because it will place in the hands of the executive branch and, as a matter of fact, it will mandate the executive branch to raise wage levels in those particular step levels where it will do the most good to that level that is needed to recruit and keep people.

Mr. DERWINSKI mentioned a little while ago that a post office in Chicago almost shut down last winter. It would not surprise us greatly if some of the big-city post offices did break down at Christmastime this year, for the conditions are no better this year than last year, and the very small pay raise we are giving the postal workers through this legislation will not solve the problem.

I submit that comparability is only comparability if the man is making the same wages as his neighbor who has comparable duties on his job. This is a sound management principle applied in private industry, and I think it is sound for the postal service.

However, as Congressmen you must also represent the employees of the Federal Government. The plain facts, as I stated them from this floor a few moments ago, should convince any fair-minded person that the gross deficiency of postal wages, particularly for clerks and carriers, when compared with private industry in our high-wage industrial areas, is little short of criminal. We cannot talk comparability and have it mean anything unless we begin comparing wages in the immediate area.

My amendment will permit pay increases in areas such as I represent in Wayne County, Mich., over and above the raises provided in this bill—this could really mean "comparability."

SUBSTITUTE AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Substitute amendment offered by Mr. UDALL for the amendment offered by Mr. WILLIAM D. FORD: On page 49, following line 25, add subsections (c), (d), and (e) to section 207, to read as follows:

"(c) Section 5303(a) of title 5, United States Code, is amended by inserting immediately before the semicolon at the end of subparagraph (2) thereof 'except positions in the postal field service which are unique to the service'.

"(d) That part of the text of chapter 45 of title 39, United States Code, under the heading 'SALARY STEPS AND PROMOTIONS' is amended by adding at the end thereof the following new section:

"§ 3561. Higher minimum rates; Presidential authority

"(a) When the President finds that the pay rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the rates of basic compensation of those positions in the postal field service which are unique to that service as to handicap significantly the Government's recruitment or retention of well-qualified employees for such positions, he may establish for such positions in the areas or locations higher minimum rates of basic compensation for one or more levels and may make corresponding increases in other step rates of the pay range for each such level. A minimum rate so established may not exceed the maximum rate prescribed by statute for the level. Increases above the maximum rate may be made only to the extent that the minimum rate is increased to an amount greater than the fourth step of the level. For the purposes of this section, the word "level" includes occupational groups and subdivisions of levels and occupational groups.

"(b) Within the limitations of subsection (a) of this section, rates of basic compensation established under that subsection may be revised from time to time by the President.

"(c) An increase in rate of basic compensation established under this section is not an equivalent increase in compensation within the meaning of section 3552 of this title.

"(d) The rate of basic compensation established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the compensation of employees in the postal field service, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President.

"(e) All actions, revisions, and adjustments under this section have the force and effect of statute.

"(f) The President may authorize the Postmaster General to exercise the authority conferred on the President by this section."

"(e) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3561. Higher minimum rates; Presidential authority."

immediately below—

"3560. Salary protection."

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the substitute amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. THOMPSON of Georgia. Mr. Chairman, I would like to hear the amendment. I object.

The Clerk resumed reading the substitute amendment.

Mr. CORBETT (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. O'NEILL of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Massachusetts.

(Mr. O'NEILL of Massachusetts asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. O'NEILL of Massachusetts. Mr. Chairman, I rise in support of H.R. 7977. I think this is an excellent bill. The committees and subcommittees that worked so diligently and so devotedly have a right to be proud of their product. This measure provides changes that are necessary and overdue. This bill would adjust postage rates to the level recommended by the Postmaster General on the basis of his comprehensive review of the entire postal rate structure.

Yesterday there was a great deal of discussion on the merits of this postal rate change. I will not now repeat them. Let it suffice to say that I agree wholeheartedly with the statements made by the distinguished chairman of the com-

mittee and the distinguished chairmen of the subcommittees.

There are certain points with regard to pay raises that I would like to make because I think they are extremely important, and because this pay raise is necessary for the maintenance of a high caliber of Government service.

I think some points should be emphasized. The first is that post office employees on the lower levels are shamefully underpaid. As the distinguished gentleman from Georgia remarked yesterday, it takes a clerk or a carrier about 20 years to make \$7,200 a year. Twenty years seems to be a long time in one job to reach a satisfactory salary—it is almost half a working life.

This is a situation that must be remedied, and I hope we do so today.

Every family in this great Nation is entitled to a decent standard of living providing more than just the basic necessities. We must provide the opportunity for every family to have a saving wage, enough money for the requirements of life, and for those things such as advanced education, vacations, and leisure time, that are increasingly becoming regarded as essentials of the humane and human life.

I would also like to mention one other thing about pay raises. In 1962 we made a promise of comparability to Federal employees. This was a practical measure and not a charitable one. We, in this body, realized that if we wanted to attract and hold the qualified people necessary for the efficient and important work of the Government, we had to pay salaries comparable to that paid by State and local governments, and by private industry.

Gentlemen, that was 5 years ago and we still have not provided comparable salaries. The Federal Salary Reform Act of 1962 has not been followed up. I think we need to improve upon this situation. The caliber of Government programs is only as good as the people who carry them out. We must be able to attract and retain highly trained and qualified people to work in the Government. A salary increase is one way of doing this.

Even this measure before us today would not provide full comparability until 1969, but gentlemen we must begin now.

I am strongly in favor of this measure and hope it will pass today with a great deal of support. Federal employees must have reasons to stay with the Government, and there must be forms of encouragement for prospective employees. I do not think we have time to be stationary and thus atrophy.

Mr. UDALL. Mr. Chairman, because of the time limitation and because there are some Members who are opposed to this amendment, I am going to say just a few words to explain my substitute and then I will yield whatever time I have so others can be heard.

This substitute I have offered takes us back to the subcommittee bill in this respect. This gives the Postmaster General the authority in high-wage areas, where the Government cannot hire postal people, to hire them, instead of at

the first step, at any place up to the maximum step. This will give us a tool so we can meet the problem in the big cities where there is a problem in the post offices, where they have to compete for employees.

The substitute does not require the Postmaster General to do this. It says he may do it. The objection to the Ford amendment is that it says the Postmaster General must do it.

Mr. Chairman, I urge support for the substitute amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, was this amendment not defeated in the committee?

Mr. UDALL. It was indeed.

Mr. GROSS. Yes, I made the motion to delete it in committee. And it is a further delegation of power on the part of Congress.

Mr. UDALL. No. This simply says the Postmaster General is the recipient of that delegated power.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I would like to state I am decidedly opposed to the amendment. I think we are calling for higher wages in accordance with a wage scale based on studies all over the country. If the wage scale is not presently high enough, it should be raised for all, all over the country. I cannot believe we should call for raises for a few selected post offices, while we let the rest of the country go short. In the committee it was pointed out that wages are higher in certain cities. That is true, but the cost of living is not higher in Detroit than it is in Houghton, Mich. To give one group a higher increase would be depriving other employees of fair treatment.

AMENDMENT OFFERED BY MR. DERWINSKI TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. UDALL

Mr. DERWINSKI. Mr. Chairman, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI to the substitute amendment offered by Mr. UDALL: On page 76, immediately following line 6, add a new section as follows:

"SEC. 224(a) The President shall direct such agency as he considers appropriate to prepare and submit to him on or before July 1, 1968, revisions of the General Schedule and Postal Field Service Schedule for each metropolitan area, as may be determined by him, reflecting in each case the cost of living and the prevailing wage rates in such metropolitan area.

"(b) Such pay schedules as prepared in accordance with subsection (a) shall be submitted by the President to the Congress not later than September 1, 1968."

Mr. DERWINSKI (during the reading). Mr. Chairman, I ask unanimous consent that my substitute amendment be considered as read, and I will explain it in 30 seconds.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. OLSEN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DERWINSKI] in support of his amendment.

(By unanimous consent, Mr. CONTE yielded his time to Mr. DERWINSKI.)

Mr. DERWINSKI. Mr. Chairman, the purpose of my offering this amendment is merely to dramatize two things.

First, we have run out of time at a time when we have a very vital amendment under consideration.

The way to resolve this question is to support the amendment offered by the gentleman from Michigan [Mr. WILLIAM D. FORD]. I believe that will clarify the situation.

Here are the facts of life. In any major metropolitan area the post office cannot get enough qualified clerks and carriers. The wage scale is not competitive enough. However, out in Tombstone, Ariz., for example the postmaster is one of the better paid men in town.

It is impractical not to give the Postmaster General some tool to meet the competitive situation in our large metropolitan areas.

I believe the gentleman from Michigan [Mr. WILLIAM D. FORD] has a very practical and logical amendment. His amendment should be supported.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. I thank the gentleman for yielding, even though I am in opposition to his position.

What we are doing is creating different wage levels in different parts of the country. The job a man does is worth so many dollars, regardless of whether it is performed in a small town or a large town. Those Members who support the minimum wage level certainly should not support legislation which is going to create a favored class in certain areas and provide that in certain areas certain people will receive more money for doing the same job other people do in different areas.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Arizona for the amendment offered by the gentleman from Michigan.

The substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan, as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: After the period at the end of line 2, on page 75, insert a new provision limiting salary payments as follows:

"For the purposes of this Act—

"(1) 'Department' means each department, agency, establishment, or other organization unit in or under the legislative, executive, or judicial branch of the Government of the United States or of the municipal government of the District of Columbia, including a Government-owned or controlled corporation.

"(2) 'Public official' means any officer or employee of the Government of the United States or of the municipal government of the District of Columbia, whether elected or appointed, in whom is vested the authority by law, rule, or regulation, or to whom such authority has been delegated, to appoint, promote, or discharge persons in connection with employment with any such government or to recommend persons for appointment or promotion.

"(3) 'Relative' means any person who is related to a public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, wife, niece, nephew, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, or stepsister.

"SEC. 2. (a) A public official shall not appoint, employ, or recommend for appointment, employment, promotion, or advancement to a position in the department in which he is serving or over which he exercises jurisdiction or control any person who is a relative of such official.

"(b) Any relative appointed, employed, promoted, or advanced in violation of this section shall not be entitled to compensation, and no money shall be paid from the Treasury of the United States as compensation to any relative so appointed, employed, promoted, or advanced."

Mr. SMITH of Iowa (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, this amendment is identical with my bill, H.R. 1315, which is a bill dealing with the hiring of relatives. This is the same bill which has been introduced for the past 6 years.

I believe the best way to deal with this problem is to deal with all branches of service at the same time, instead of trying to do it through an ethics bill where we would deal with only one branch.

I believe the primary place one will find the kind of violations which we should deal with, is in the smaller post offices. Many postmasters in smaller offices will not take a permanent clerk unless their wife is on the eligible list. They have ways to maneuver to hire their relatives on a temporary basis periodically until the list permits them to do what they want.

I have discussed this with some members of the committee, and I believe at least some are favorable.

This is bad for morale where it is practiced. Many of these relatives, including some on congressional payrolls may do a good job, but the overall interest of the Government is against the practice and those good employees can

get a job in some office on their merits rather than using relationship as a leverage.

This bill applies prospectively unless an employee is reappointed or promoted, otherwise it would not be practical.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Arizona.

Mr. UDALL. This does not apply to people now on the payroll, but it would prevent the hiring of additional people?

Mr. SMITH of Iowa. It would apply prospectively.

Mr. UDALL. This is the kind of anti-nepotism statute many States have?

Mr. SMITH of Iowa. That is correct.

Mr. UDALL. I wish to say that personally my own State has a provision. I favor this kind of amendment. I know many people in the House do not favor this sort of thing.

I wish to say, for myself, I believe this is a good amendment.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from North Carolina.

Mr. HENDERSON. Mr. Chairman, for the information of the House, I believe the gentleman will agree that the Subcommittee on Manpower of the Committee on Post Office and Civil Service, of which I have the honor to be the chairman, has agreed to hold hearings on the gentleman's bill as soon as we can reach the legislation.

Mr. SMITH of Iowa. That is correct. I know the committee has been so busy it has not been able to reach it this year, but this bill has been around for 6 years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Iowa) there were—ayes 49, noes 33.

So the amendment was agreed to.

The Chairman. The Clerk will read.

The Clerk read as follows:

TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the advertisement represents as erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such pandering advertisements to designated addresses thereof.

"(b) Upon receipt of notice from an addressee that he has received mail matter, determined by the Postmaster General to be of the character of a pandering advertisement, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings of such matter to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further

mailings of pandering advertisements to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term 'children' includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship."

(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of title III be dispensed with, that it be printed at this point in the RECORD, and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

AMENDMENT OFFERED BY MR. WALDIE

Mr. WALDIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALDIE: Strike out beginning with line 14 on page 76 and all that follows down through line 14 on page 77, and insert in lieu thereof the following:

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees."

Mr. WALDIE (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WALDIE. Mr. Chairman, this amendment involves title III, which is the laudable attempt by my good friend and colleague [Mr. CUNNINGHAM], to prohibit or at least to restrain the receipt in your mailbox of literature and material that, in the view of the recipient, is objectionable because of its being salacious in nature, and so forth. My disagreement with the approach Mr. CUNNINGHAM has taken involves the fact that I believe it runs afoul of the First Amendment to the Constitution. He suggests that the Postmaster General must make a determination as to whether the literature and the material concerning which he has received a complaint runs afoul of the Supreme Court decision concerning pandering. If he so determines, then the matter being sent through the mail can be prohibited. My amendment suggests that should not be a determination of the Postmaster General at all but a determination of the individual who receives the material. The standards of conduct that I enforce in my particular household are not those that the Supreme Court has laid down in terms of materials that are available for my children's consumption. I am the supreme court in the particular household in which my children reside, and there

is no appeal from that determination. So I have said in my amendment that if you receive literature in your household that you consider objectionable for the reasons Mr. CUNNINGHAM states, then in your sole discretion you can inform the Postmaster General to have your name stricken from that mailer's mailing list. If he does not do so, he violates that order, and the only determination left for the discretion of the Postmaster General, is did he or did he not remove your name from the mailing list. Then you are able to prevent that man from making any further mailings to you, but the sole determination as to whether the literature you receive is objectionable or not is within your discretion and you are not second-guessed on that discretion.

The bill that is before us severely limits your right to refrain from receiving objectionable material, because you must then refrain from receiving only material from the shipper that the Supreme Court has held to be objectionable. I suggest that the standards you may desire for your children and the standards that I desire for my children are far more strict than the standards that the Supreme Court has set in terms of controlling governmental censorship. By removing from this section, the right of the Government to involve itself in any determination of the content and nature of these objectionable materials precludes the first amendment from having any application whatsoever.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. What is the penalty for the mailer, after he has been notified to take your name off the list and withdraw it? Would the provisions of your amendment withdraw his mailing privilege from then on?

Mr. WALDIE. No. In one of the amendments that is being considered on the floor, that is the penalty. The penalty in my amendment is precisely the penalty that the gentleman from Nebraska [Mr. CUNNINGHAM] wants.

Mr. JONES of Missouri. Well, what is the penalty?

Mr. WALDIE. It is punishment for contempt if the mailer refuses to obey the order of the court.

Mr. JONES of Missouri. Well, if the gentleman will yield further, who assesses the punishment?

Mr. WALDIE. The court sets the punishment.

Mr. JONES of Missouri. In other words, he could get the matter into court and keep operating for a period of 10 years while the matter is being decided and thus delayed?

Mr. WALDIE. No; he could not, because there is an injunction that prohibits him from mailing the material. He can go to court and seek to have the injunction lifted. But if he has mailed material in violation of the order of the Postmaster General and then the Postmaster General seeks an injunction and obtains it, if the mailer fails to abide by that injunction, then he can be held in contempt of court and would be subject to the penalties provided for herein.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Mr. Chairman, just recently I received a letter from a man whose 19-year-old son received the filthiest publication I have ever seen, through the mail, and I was told by the Postmaster General that they could not do anything about the sender of that piece of material on account of the decision of the Supreme Court.

Mr. WALDIE. One of the problems is that the Supreme Court has set very high standards in terms of Government's right to abridge a citizens right to publish and to disseminate information. In my opinion, that is proper, from the standpoint of the Federal Government and from the standpoint of the individual in his desire not to be oppressed by an overeager Government. However, I avoid that question by saying, in effect, that I am an individual who is making this determination and it is not being made by the Government. In other words, I am not held to the standards that the Supreme Court holds the Government to because this represents an individual decision to be made by me under the provisions of my proposed amendment.

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to the amendment.

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Chairman, I want to thank my colleague from California [Mr. WALDIE]. I believe that most of the Members of the House know the history of this proposed title III.

This particular type of legislation which I authored passed this House in the 88th Congress and in the 89th Congress overwhelmingly. However, it was not acted upon in the other body.

Mr. Chairman, this legislation has been looked over by at least two or three dozen constitutional lawyers and other attorneys. We put it in this bill because the American people are demanding action on this severe problem and they want it now. If you will read the report you will see that during this past year one-quarter million complaints have come into the Post Office Department with reference to this type of pandering advertisement that I hold here in my hand.

Mr. Chairman, I do not believe there is any one of us present who has not had a constituent, or dozens of constituents, write us and tell us that they had received such type of mail which was dumped or placed in their mailbox. They feel, as I do, that this represents an invasion of their privacy.

Mr. Chairman, what this simply says is that if you or your minor child receives some of this obscene, sexually provocative advertising—pandering advertising—by having it dropped into your mailbox—either you or your minor child—you have the right to petition the Postmaster General saying that you do not want any more of this type of mail brought into your home and to notify the sender to remove your name from his list. Then the Postmaster General is to notify the mailer to take your name off the list, or any other list on which he

is connected through interchange of mailing lists. If the sender does not do it, the Postmaster General is empowered to take this matter to the Justice Department, and they in turn are empowered to take this matter to the U.S. district court and ask for a cease-and-desist order.

If the mailer then continues to send you additional mail, he is subject to contempt-of-court proceedings.

Mr. Chairman, this House has voted, as I said, overwhelmingly for this particular bill. The gentleman from California [Mr. WALDIE] has suggested that it be changed in its wording and he feels that it will strengthen it more than is contained in title III. I have no real argument with the gentleman about it. I would only say that the particular wording that is in title III, so far as the description of pandering is concerned, follows the most recent Supreme Court decision in the Ginsberg case, and was written by the Post Office Department and has the support of the Post Office Department. The changes the gentleman from California [Mr. WALDIE] suggests are his own changes, and they are worthy of consideration. I have no substantive argument with them. I only say that the Post Office Department wrote the language which the gentleman from California [Mr. WALDIE] seeks to amend, and I feel that I must bring that to the attention of the Members.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. WALDIE].

The amendment was agreed to.

Mr. ROONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. ROONEY of New York was permitted to speak out of order.)

(Mr. ROONEY of New York asked and was given permission to revise and extend his remarks.)

OUR AMERICAN ECONOMY

Mr. ROONEY of New York. Mr. Chairman, yesterday's Wall Street Journal carried a front-page article by Alfred L. Malabre, Jr., giving a masterful summary of a subject which is of utmost importance to every American. The observations made and statistics set forth in this article should cause every one of us to set up and take notice.

The presentation is a complete verification of President Johnson's fiscal and economic policies. The facts set forth and the most significant conclusions drawn constitute an impressive tribute to efforts which the President has been making to prevent ruinous inflation.

But this article is also of great importance because it reveals to a careful reader just how close we are to the brink of a devastating inflation if we fail to enact the essential control measures which the President has proposed.

I am highly gratified to read each assurance of our present economic well-being, but being a realist—not an alarmist—I want to call the attention of my colleagues to our need to take whatever measures are necessary to safeguard this country against inflation. Let us not forget that we in this body hold a front line

position to stem the tide of an economic onslaught which will leave millions of our people cold and hungry—stripped of their carefully and often painfully acquired savings. Every Member of Congress should read this article and ponder the probable future of this Nation if a booming economy is not held in reasonable check.

Every labor leader and every working man should consider the painful situation into which we may be plunged if reasonable caution is not observed.

Every employer, every manufacturer, every producer, and every farmer should give heed to the facts which clearly indicate the direction and the disastrous destination toward which we could go.

Every doctor, every lawyer, every artisan, and every professional man should familiarize himself with our economic and fiscal plight and try to foresee what inflation would mean to him personally if his patients or clients are caught in the whirlpool of devalued money.

Mr. Chairman, as we proceed day after day into the longest boom in American history, as we ponder the magnitude of the changes occurring in our economy for the past 80 months of this boom we should give heed to the warnings of our great President.

I wish that every critic of President Johnson's fiscal and economic policies would read and weigh objectively this article. I am sure that many of them would revise their thinking and join him in his courageous but unpopular fight to prevent inflation.

Let us not forget who are the first victims to feel the crushing blows of inflation. They are the American housewives from our low- and middle-income families who are already trying to stretch their dollars to provide enough food of the right kind for their families. They are already skimping to get shoes and clothes to keep their children in school. They have already started on the required practice of utilizing "hand-me-downs" and making last year's items do service again. These devoted mothers and wives will be the first hit if the value of our money begins a rapid reduction.

I am concerned, too, for our senior citizens who must stretch an already inadequate fixed income to meet their daily requirements. Whether they rely on frugally amassed savings, or on pensions, or on public benefits, any serious imbalance in the purchasing power of their limited dollars would deal them a crushing blow.

Tragic as would be the impact of inflation upon investors and those who have long enjoyed the fruits of ownership, it is the wage earner who would be among the first of our citizens to suffer from runaway economic development.

And, Mr. Chairman, the dire results of inflation in this country would not be confined to our 50 States. The entire world would suffer and our relationships between the nations of the world would be catapulted into serious jeopardy. For many long years the American dollar has been and is still today looked upon as a symbol of integrity. "As sound as a dollar" is still a byword not only in this land but in farflung areas of the world. With world tensions what they are to-

day—with the demand for continued American leadership in meeting the world's most pressing problems, we can ill afford to create new and more devastating problems by upsetting the economic stability of our country and that of other nations as well.

President Johnson has sounded the alarm time after time. He has placed before this Congress firm proposals to preclude inflation. His tax proposal is but one of them. It is our responsibility to consider all his proposals and unless we can improve upon them to enact the necessary legislation which will protect our people. Those who are most in need of that economic protection are the housewives, laborers, veterans, pensioners, and the others who make up the bulk of our society.

Mr. Chairman, I include with these remarks this article by Alfred L. Malabre, Jr., so that maximum reference to it can be made. May the prophets of doom be hushed by the current well-being which it conveys, may the cautious take new courage, may the pessimists find rays of optimism and may all of us take a careful look at what might happen if we do not act quickly, courageously and sympathetically on the proposals laid before us by the President.

Using his words spoken in a masterful address to the Presidents of the Federal home loan banks on October 6, he gave us great assurance when he said:

We are very, very proud of our economic system in this country, our free enterprise system. We think that it is primarily responsible for our leadership in the world and primarily responsible for our strength. We want to keep it that way.

But he also stressed the things we need to do to keep that economic system from being undermined. With reference to this task he said:

We have to face up to these things unpleasant. Let's do it and let's do it reasonably—not politically—being able to justify it from the economics that we know.

The article referred to, follows:

[From the Wall Street Journal, Oct. 9, 1967]
PROFILE OF A BOOM: ECONOMIC EXPANSION ENTERS 80TH MONTH, MATCHES OLD RECORD—GNP SOARS 49 PERCENT SINCE 1961; PROFITS, PERSONAL INCOME RISE EVEN MORE SHARPLY—PROBLEMS: HOUSING AND GOLD

(By Alfred L. Malabre Jr.)

If the current business expansions continues through next month, it will enter the record books as the longest boom in American history.

Even the more pessimistic forecasters are convinced that the expansion will indeed set a record. The longest expansion until now has been the 80-month business boom that went on during most of World War II, ending in February 1945. The current expansion, which began in February 1961, is now entering its 80th month. Altogether, there have been 26 previous U.S. business expansions, according to records kept back to 1854 by the nonprofit National Bureau of Economic Research. The average length: A mere 30 months.

The full dimensions of the current expansion can be gauged by reviewing some of the changes that have taken place in the U.S. economy since 1961. The magnitude of these changes is impressive, as the following review shows.

Gross national product: At more than \$775 billion annually, the nation's output of goods and services has risen some \$255 billion since 1961. The gain alone dwarfs the annual GNP of such major nations as the United Kingdom, West Germany and France. The table below translates America's multibillion-dollar economic growth into percentage terms and also shows how rapidly the major components of the GNP total have risen during the great boom.

Gain since 1961

	Percent
Gross national product.....	49
Consumer spending.....	46
Government spending.....	63
Business spending.....	47

Within the fast-expanding governmental category, the sharpest rise since 1961 has occurred in Federal nonmilitary expenditures, which have soared 77% in the period. Federal outlays for defense have climbed 52%, and overall Federal expenditures are up 56% since 1961. Spending by state and local governments has risen 70%—much faster than total Federal outlays.

Inflation, of course, accounts for part of the GNP rise since 1961. If "growth" stemming simply from higher prices is discounted, the "real" GNP increase since 1961 works out to 34% rather than 49%.

The consumer-spending category is by far the largest of the various GNP components. This spending breaks down three ways—for durable goods such as appliances and autos, for nondurables such as food and clothing and for services such as medical care and rent. The table below shows how the three subcategories have fared since 1961.

Gain since 1961

	Percent
Durable goods.....	64
Nondurable goods.....	39
Services.....	48

Although spending for durables has risen fastest, the consumer still spends a good deal less for such products than for nondurables or services. Currently, consumers devote about 44% of their budgets to nondurables, 41% to services and only 15% to durable goods. Overall, the statistical breakdown for consumer spending indicates that the economy has not become as "service oriented" as is often suggested. In 1961, consumers spent about 40% of their budgets on services.

The 47% rise in business spending, of course, has brought a big increase in the capacity of the country's factories. U.S. plant capacity has grown by about a third since 1961. This admittedly is less than the dollar rise in business spending, but the capacity rise is based on physical volume of goods and therefore isn't "inflated" by rising prices.

As a result of the 33% capacity increase, U.S. manufacturers are able to produce a far greater volume of goods now than in 1961 without putting undue strain on their production facilities.

At present, U.S. factories are using about 85% of their capacity, on average, well below the 90%-plus operating rates at which severe strains traditionally begin to show up. At operating rates above 90%, overtime costs rise sharply, and many producers are forced to use inefficient facilities that would otherwise stand idle or be scrapped.

Personal income: The rapidly rising earnings of most Americans have supplied much of the fuel for the economy's long climb since 1961. The personal income of Americans now exceeds \$631 billion annually, some \$215 billion more than the 1961 income total. The rise reflects a variety of factors, not just the steadily climbing wages and salaries of all sorts of workers. The table below lists the key income sources of Americans and shows how rapidly each category has risen since 1961.

Gain since 1961

	Percent
Total personal income.....	51
Wages and salaries.....	53
Fringe benefits.....	86
Dividends.....	71
Interest income.....	87
Income from rent.....	26

As in the case of service spending noted above, the income record since 1961 holds some surprises. Landlords' income from rent has risen only half as fast as overall income, a fact that should surprise many tenants. And income from interest and dividends on investments has climbed much faster than income from wage and salary payments, a fact that may give some second thoughts to people who worry that labor is getting far more than its share of the income pie; fringe benefits paid to workers, however, have risen much faster than wages and salaries.

At present, dividend and interest payments make up about 11% of total personal income. This compares with only 9% in 1961. Wage and salary payments make up 67% of the total, about equal to 1961.

The overall rise in consumer income is considerable even if rising prices and an increasing population are taken into account. After-tax per-capita income in the second quarter reached a record annual rate of \$2,388 in terms of 1958 dollars. This was 25% higher than the comparable 1961 per-capita figure. In the view of many economists, this income measurement comes as close as anything to a "standard-of-living" index for the U.S.

Accompanying the big rise in consumer income has been a big rise in consumer savings. These savings have recently been running at an annual rate of about \$36 billion, up 70% from the 1961 level (a sharper rise than the 65% increase in consumer credit outstanding over the same period). Time deposits in commercial banks have attracted the largest share of these savings.

The rise in consumer income reflects a massive improvement in the U.S. employment picture during the economic expansion. Many more jobs exist, workers toil longer hours and pay levels are considerably higher.

Today, there are more than 76 million civilian jobs in the U.S., up from less than 66 million in 1961. The increase exceeds the population of New York, the nation's largest city. The rise in jobs not only has opened up work for the country's increasing population—there are 15 million more Americans now than in 1961—but has given work to millions who couldn't get jobs early in the decade. Unemployment in the nation is below the 3 million mark; in 1961, it was close to 5 million.

Employees generally work a longer week now than in 1961. In manufacturing, the average workweek of nearly 41 hours is almost a full hour longer than the 1961 workweek. In the construction trade, the average workweek has recently exceeded 38 hours, up from less than 37 in 1961. An exception: Retailing, where the average has dropped from more than 38 hours in 1961 to less than 36 recently. Factors in the retailing trend, say analysts, include the increasing use of part-time employees and self-service in stores.

Most employees, moreover, are receiving much more pay per hour. The average hourly pay level in manufacturing is about \$2.80, up from \$2.32 in 1961. In construction, the average is nearly \$4.10 an hour, some 90 cents higher than in 1961. In retailing, the average pay level is about \$2, up from \$1.68 at the start of the expansion.

Corporate profits: The climb of corporate profits during the long boom has been even more spectacular than the rise of consumer income. The before-tax earnings of U.S. companies currently total nearly \$80 billion a year, up from \$50 billion in 1961. Within the broad corporate category, however, there has

been considerable variation between different types of industries. The table below shows the overall profits rise, plus the gains for particular groups.

Gain since 1961

	<i>Percent</i>
Total corporate profits.....	57
Durable-goods makers.....	85
Nondurable-goods makers.....	49
Transport and utilities.....	51
Finance and miscellaneous.....	44

In 1961, the profits of durable-goods makers totaled some \$500 million less than those of nondurable-goods producers. Currently, however, durables firms are earning some \$3.3 billion a year more than nondurables companies. The big boom in auto-buying in recent years is a major factor in the profit rise for durables. It should be noted, however, that the durables group traditionally fares extra well in expansion periods and extra badly in recessions. The other categories listed above generally react less dramatically to changes in the overall course of business.

A footnote to the profits story: Since 1961, the after-tax earnings of corporations have climbed 71%, a considerably faster rise than the 57% gain in before-tax income. This, of course, reflects the 1964 income tax cut.

To be sure, the economic record of the U.S. since 1961 is not without blemishes.

LAGGING HOME STARTS

New-home starts last year totaled less than 1.2 million units, actually down from the 1961 level of 1.3 million units and far below the 1963 level of 1.6 million. In recent weeks, housing has shown some signs of a pickup, but the industry's record still stands in bleak contrast to the general economic boom since 1961.

In part, the housing industry's trouble reflects overbuilding at least of middle and upper-income housing in the earlier post-World War II years. The mortgage funds for home building have been relatively scarce at times during the boom. Ironically, if other segments of the economy hadn't been so strong in recent years, there doubtless would have been more money available for home building, and the industry almost certainly would have fared better.

The U.S. gold supply also has declined during the long expansion. The Government's coffers now hold some \$13 billion of gold, down from more than \$17 billion at the beginning of the expansion.

Technically, this drop has occurred because the U.S. has been spending more dollars abroad than it has been taking in from foreigners. Foreign governments, in turn, have been buying U.S. gold with many of these dollars at the Treasury's offering price of \$35 per ounce, a price that many foreign officials apparently feel is a bargain.

But the deeper cause of the gold drain involves the growth rate of the U.S. economy. If the economy hadn't grown so fast in recent years, there probably would have been less price inflation, and the U.S. trade surplus—the excess of exports over imports—would no doubt have held up better, thereby curbing the outflow of dollars and gold. The U.S. trade surplus actually has declined about 5% since 1961. Without a trade surplus to bring some dollars into the country, the flow of U.S. funds abroad to support foreign-aid projects, troops overseas and other foreign programs would reach intolerable proportions, most economists believe.

Perhaps the most lamentable blemish in the boom is the high unemployment rate for teenage Negroes—25% in 1961 and 25% in boom-time 1967. Another dismal statistic: Some 7.8 million Americans are on relief at present, about 600,000 more than in 1961.

Mr. NELSEN. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. NELSEN was permitted to speak out of order.)

(Mr. NELSEN asked and was given permission to revise and extend his remarks.)

POLITICAL SOLICITATION OF POSTAL WORKERS

Mr. NELSEN. Mr. Chairman, I take this time to inquire of the Committee if there is any provision in this bill to protect the postal workers of our country from the arm-twisting campaigns on political solicitations that have so consistently been increasing.

Is there any provision in the bill to protect these employees from this practice? If anybody wishes to respond, I will be glad to listen to their answer.

Would my friend from Nebraska [Mr. CUNNINGHAM] care to state if there is any provision for protection in this bill to protect the post office employees from the practice that has become so prevalent when they are asked to make contributions in the way of dinner tickets which are used for political purposes, and in some cases a pressuring and an arm-twisting has been applied to make the solicitation a possibility.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. Yes, I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. I would say in reply to the gentleman that, this being a postal rate bill, a salary bill, and an anti-obscenity bill. I know of no provision that is in here to cover that.

Mr. NELSEN. Frankly, I did not suspect that there was. I believe this matter definitely needs the attention of the House. I have been sitting in on the hearings concerning the Hatch Commission, and certainly this prevalent practice needs to be stopped because it is coercion, and it is unfair to the Federal employees, and I believe it should be stopped.

Mr. Chairman, I yield back the balance of my time.

Mr. SCHWEIKER. Mr. Chairman, with the postal rate increase bill now pending it seems appropriate to ask why the Post Office Department is in the business of printing envelopes at prices which cannot possibly cover the cost in direct competition with private printing businesses.

An excellent column by Mr. Robert J. Boyle, editor of the Pottstown Mercury points out that the Post Office Department will sell you 500 stamped envelopes for \$28.65. And for an extra \$2.25, or just \$30.80, the Post Office will imprint your name and address on each of the 500 envelopes.

Let me point out, Mr. Chairman, that Mr. Boyle has no ax to grind. The Pottstown Mercury, one of Pennsylvania's outstanding daily newspaper, does not do job printing. Mr. Boyle acts solely in the role of a responsible journalist and the point he makes is a good one.

This quiet sideline printing business of the Post Office Department is almost certainly costing the taxpayers money to subsidize. And at the same time it is in direct competition with the small job printers, who also just happen to be taxpayers.

An envelope costs about a penny. That is \$5 for 500 envelopes. And 500 5-cent stamps runs the cost to \$30 for 500 en-

velopes with postage. How in the world could a job printer ever afford to print names and addresses on 500 envelopes for a total of 80 cents to match the Post Office Department's deal of \$30.80 for 500 stamped and imprinted envelopes?

The answer, of course, is that no printer could afford it. Not only would he make no profit, he would end up bankrupt. The time has come, Mr. Chairman, to find out what is going on in the Post Office Department.

Mr. Boyle and the Pottstown Mercury have done a good job of shedding a bit of light on the situation.

For the benefit of our colleagues, I would like to include at this point Mr. Boyle's column, "A Different Slant":

A DIFFERENT SLANT: POSTAL DEPARTMENT HAS A SIDELINE

(By Robert J. Boyle)

Looking for a printing bargain? Try the United States postoffice.

If you think, the postoffice is only concerned with the delivery of mail and the selling of postage you're wrong.

The postoffice not only will sell you stamped envelopes at a bargain price but it'll give you stamped envelopes with your name and address printed on them at a rate cheaper than most job printing firms.

Owners of small job printing shops can't compete with the prices offered by the postoffice.

The Postoffice department currently is asking for an increase in postal rates to meet expenses. Despite cutbacks in service, the cost of mailing a letter is rising but the non-postal work done by the postal department isn't.

A stamped envelope costs the individual 7 cents. That's \$35 for 500 when not purchased in bulk.

But the postoffice will sell you 500 stamped envelopes for \$28.65.

And, here's the bargain, if you have them imprinted with your name and address, the postoffice will only charge you an additional \$2.25 for the printing. So for \$30.80 you can buy 500 printed, stamped envelopes from the government.

Instead of buying the envelopes one at a time, a user could save himself \$4.20 by buying a lot of 500 and the government will toss in the printing.

This price is for the smaller envelopes. The larger envelopes will cost you \$29.10 for 500 but with your name and address the price goes to \$31.45.

The Mercury recently received an offer to job work envelopes from a New York firm.

The cost of 500 envelopes was \$5.92. These were the smaller envelopes. Add a 5 cent stamp to each envelope and your cost is \$30.92. The government is charging 12 cents less than this.

A local job printer who is trying to earn a living said, "I can't compete with the prices offered by the government. No small job printer can. It costs me more to cast one line of type than the government charges for three."

"The government is hard to beat. Why would anyone come to me for envelopes when they can get the same thing cheaper from the post office. And with my envelopes they'd have to attach the stamp."

"It's not fair to the small businessman. I can't compete with those prices. What I can't figure out is why the post office is so concerned about costs and then they undercut us. There can't be a profit in the envelope printing business for the government. I'm sure the price they charge is less than the price it costs them."

"An envelope itself costs 1 cent each. For 500 it would be \$5. Plus a 5 cent stamp. That totals \$30. So the printing comes down to

just 80 cents. Where in the world can you get a printing job for that price today."

The printer said that the only reason more people don't use the government's printing service is because the government doesn't advertise it.

"Not even some postal workers know about it," he said.

The Mercury checked with some of the employees. The majority said, "Yeah, I think there's something like that but I don't know the prices of anything."

One postal worker said, "No. We don't do anything like that but I'll check to be sure."

Within a day he called back and said, "You're right. We do sell printed envelopes cheaply. This whole place is fouled up, though."

He explained that he was sorting mail on Oct. 3 advertising an event that occurred Oct. 1.

"I don't see why people stand for it. Here's mail that should have been in and out of the post office by the 29th of September to do the advertiser some good. Now it's just being sorted on the 3d. It'll be another day or two until it's delivered."

He also said that printed tabloid sheets advertising sales frequently are delayed.

"One store has a coupon which states that if the tabloid was delayed in the mail until after the sale, that the sale price would be honored if the customer brought the hand-out to the store."

"I think junk mail is supposed to be in and out of a postoffice in 72 hours. That's not the case here. It often just sits."

"The whole system is goofy," he said, "we get mail in Pottstown and it's sent to Morristown, canceled and sent back to Pottstown for delivery."

"Suppose there's a mailbox in front of your house and you sent a letter over the weekend to next door neighbor. Do you know how many hands it goes through? It'd be picked up and driven to the Pottstown postoffice where it'd be sorted. The sorted mail will then be shipped to Norristown where your letter will be canceled. It's resorted and shipped back to Pottstown. Here it's unpacked and sorted to the carrier and he sorts it for his route. If your lucky, the letter will arrive at your neighbor's mailbox Monday or Tuesday."

"I'm not suggesting that the letter carrier should look through the mail at the box and rush it to our neighbor immediately, but the system could be improved."

Mr. KUYKENDALL. Mr. Chairman, it is with deep reluctance that I rise in opposition to this bill. With all due respect to the great committee, I am forced to the conclusion that this legislation which puts into one package, postal rate increases, pay increases for postal workers and thousands of Federal employees outside the postal services, and restrictions on mailing obscene material is ill conceived. Combining such diversified matters into one package simply in an attempt to forestall a Presidential veto of the postal pay increase is not a good way to legislate.

There are many Members, I am sure, who like myself favor parts of this package and are opposed to other parts so that it is impossible for us to express our true convictions whichever way we vote.

I am definitely in favor of an increase in pay for postal workers. They are entitled to it through prior commitments to them by previous Congresses and because they need it to bring their pay scales in line with those paid for comparable services in private industry. However, I cannot in good conscience accept the other parts of this bill. For instance,

it is unfair to tax further the users of first-class mail while at the same time we deal so gently with those who use other classes of mail.

Postal rates and wages for postal workers should not be contained in the same bill. It is wrong to establish the concept that the wages of postal workers should be tied to the income of the Post Office Department. If we do establish that concept there may come a day when postal workers will find themselves facing a loss of revenue because of greater deficits in the income of the Post Office.

Another part of this package to which I am violently opposed is the open end authority given to the President to establish Federal salaries in the future. Under the authority the President would be able to include in his budget, salary increases for Federal workers, even Congressmen, for whatever amount his Commission proposed and unless Congress vetoed his proposal such salary increase would become effective.

Granting such authority to the President is giving him authority which should, under the Constitution, be retained by Congress. I am against that, yet if I voted for this bill in order to help postal employees, I would be condoning what I believe to be an unconstitutional action. Also, I firmly believe that Congress should face up to its responsibilities, especially in the matter of Federal salaries. If the time ever comes when salaries of Members of Congress are to be increased, we should stand up squarely and face the people instead of putting a provision into the law, as contained in this bill, which would allow us to back into increasing salaries through the device of letting the President do it.

For these very compelling reasons I am going to be forced to vote against this bill. I think the proper way to handle this legislation is to send it back to the committee and have them bring in separate bills so that we may honestly vote our convictions on each of these very important matters.

Mr. DOLE. Mr. Chairman, yesterday's debate on postal rate increases prompted me to review again the history of rates applied to newspapers. Let me say I am particularly concerned about the health and survival of newspapers, because I know how vital they are to their communities. In this day of complex governmental relationships—local participation in Federal and State programs as well as a proliferation of local districts and municipalities—the citizen has more need than ever before for his local newspaper. In rural areas the newspaper is one of the key institutions holding communities together. I suspect that the same is actually true of suburban and urban areas.

I find that newspapers have accepted and absorbed rate increases in the years 1952, 1953, 1954, 1959, 1960, 1961, 1963, 1964, and 1965. They have accepted as equitable the increases proposed in H.R. 7977 for 1968, 1969, and 1970. That means that during a period of 18 years they will have adjusted to postal rate increases 12 times.

Further, it should be noted that for the smallest newspapers, the rate in-

crease in 1968 is 60 percent, not the 23 percent which applies to larger publications. So let it not be said that newspapers have been overlooked in the increases of the past, or in H.R. 7977. They are accepting their share of the higher costs of postal operation.

I want to add one more comment which might otherwise be overlooked. Newspapers have made a major contribution to the success of the new ZIP code system. They have given the Post Office Department full cooperation, by meeting requirements in their own mailing and by carrying the ZIP code message to the public. Selling this revolutionary system to nearly 200 million Americans has been a monumental task. Newspapers did their part, even though in some cases the conversion to sectional center distribution has disrupted delivery to their readers. They felt that ZIP had to succeed to save the U.S. mail system, and they helped make it succeed.

Mr. SCHADEBERG. Mr. Chairman, I earlier stated that it is most unfortunate that this bill confuses revenue with service. I am fully convinced that there is no legitimate connection between postal rates and postal pay increases. Why not place the blame for post office deficit where it belongs—not on the worker but on inefficiency caused by political expediency and poor administration. The pay increases are essential to help bring about the upgrading of the service we receive, and there is absolutely no doubt but that the post offices throughout the Nation are undermanned, understaffed, and overworked because of the low pay scales offered by the Department. That the postal service is as efficient as it is presently, is a tribute to the dedication of the men who have made the postal service a career, and who have remained at their jobs in spite of substandard compensation.

Postal pay should be raised, but postal rates should be held at a more stable level as they were during the 8 years of the Eisenhower administration. The annual deficit of the Post Office could be absorbed with ease if the administration would stop making mini-cuts in its spending and take a few big bites out of programs which could be reduced or held in abeyance until the war in Vietnam has been terminated.

I shall vote for the recommittal motion, not because it is what I believe it should be, but because it does give the postal employees a 6 percent instead of the 4.5 percent increase in salary this year and because it will prevent a Presidentially appointed commission from setting salaries for Congressmen and civil service employees—a clear obligation of Members of Congress—elected by the people. Should the recommittal motion fail I shall vote for the bill with the regret that the H.R. 7, which I supported was not before the House for consideration.

Mr. Chairman, I believe our postal workers are again the victims of political maneuverings.

Mr. ECKHARDT. Mr. Chairman, at the time the Waldie amendment to H.R. 7977 was being considered, I had at the Clerk's desk the following amendment to the same title:

Amend H.R. 7977 on page 76 by striking all after line 7 and by striking all on page 77 and all on page 78 through line 24, and inserting in lieu thereof the following:

"TITLE III—PROHIBITION OF PANDERING AND OBJECTIONABLE ADVERTISEMENTS

"SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of continued sending of matter objected to by recipient

"(a) Any recipient of advertising matter through the mail which is unsolicited and is of a character which the recipient finds objectionable may notify the sender thereof that the advertising matter is objectionable to him and that the sender should refrain from further mailings of such matter to the named addressee. If the sender does not thereafter desist from further mailings of such matter to the named addressee, such addressee may notify the Postmaster General of his objection and of the sender's refusal to discontinue mailings, whereupon the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings of advertisements to the designated addressee effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(b) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating that the sender is violating the said order and should thereafter cease and desist from further mailings of such matter to the named addressee.

"(c) Intentional failure of any sender to comply with the order or orders of the Postmaster General respecting such further mailing of such matter objectionable to the addressees shall constitute a lack of compliance with the requirements for qualification for sending mail at any bulk or reduced rates. The sending of 25 or more pieces of such matter which has been objected to by addressees after receipt of orders from the Postmaster General as above provided shall constitute prima facie showing of an intention to violate such orders. If the Postmaster General, after appropriate hearing, if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been intentionally violated, he is authorized to deny to the sender the use of bulk or reduced rates respecting any further mailings by the sender for a period not exceeding one calendar year after the date of the determination.

"(d) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(e) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(f) When the addressee is a child, the parent may act for the child."

I objected to the Postmaster having nonreviewable authority to determine what is "pandering" matter. To some extent the Waldie amendment corrected this. I do not think it cured the fault altogether but since my amendment

dealt with a part of the same matter, it would not have been appropriate after the passage of the Waldie amendment. I had not offered my amendment as a substitute because it might have jeopardized the chances of considerable improvement accomplished by the Waldie amendment.

I am for H.R. 7977. However, I cannot let my vote for the bill stand without registering my protest against the waiving of judicial review under the Administrative Procedure Act as provided in title III, section 4009(h) on page 78 of the bill. Further, I feel that title III provides really an impractical procedure, because individual injunctions brought at discretion of the Postmaster General will not afford a sufficient discouragement to panders operating through third-class mail. I feel that a much more effective method would be the threat of loss of bulk or reduced rates. Perhaps the machinery of my amendment may be of some use to bodies further considering the problem.

Mr. MATHIAS of Maryland. Mr. Chairman, I would like to direct my remarks briefly to title II of this bill, the title dealing with salaries in the civil service and the postal service. I strongly support the provisions of this title, as the most feasible steps which we can take right now toward the long-postponed goal of fully equitable compensation for our public servants.

The quality of our Government depends directly on the quality of our civil servants—from the top to the bottom of every department and agency. We have never needed the best Americans in public service more than we need them today. Yet for too long we have discouraged the most talented and experienced from entering or remaining in the civil service and the postal service, largely because we have not offered them individual opportunities for advancement and compensation as great as the opportunities held out to them by the private sector.

The Congress and the President pledged civil servants full comparability of salaries 5 years ago. We have not yet fulfilled this pledge, but this bill for the first time since 1962 gives us the means for doing so. In previous years we have simply approved a single percentage increase in salaries in each successive bill. This year, for the first time, we are going beyond that short-range approach, and establishing the machinery for determining the future increases required to attain comparability by April of 1969.

I am very pleased that the committee, in shaping this legislation, did recognize the particular difficulties faced by members of the postal service, whose opportunities for promotion are often severely limited, and whose salaries have lagged especially far behind those of counterpart jobs in the private sector. The grade raises contained in this bill are similar to those recommended in legislation which I introduced earlier this year, and represent an important step in the continued improvement of our postal service.

Mr. Chairman, as the size and complexity of our Federal Government has increased, we have heard many calls for reductions in overhead, reform of administrative methods and procedures, and general reorganization. We have no hope

of achieving these goals unless we can enlist the services of the very best among our citizens. I am convinced that title II of this bill will contribute a great deal to enhancing Federal services by giving just compensation to the 3 million civilians who conduct the public's business.

Mr. BRINKLEY. Mr. Chairman, I rise in support of the postal and civil service employees of our Federal Government and the members of our Armed Forces. In the forefront of our thinking is the GI sitting in a rain-soaked fox-hole.

A man's time is worth as much in the Federal service as it is in private industry, and our goal should be to establish a Federal pay system which provides the employee with "a dollar received for a dollar's worth of value given." For how can we demand excellence from Federal employees when we short change them on payday.

My position on the need for economy in the Government is well known, but this posture is not an indiscriminate one. Good investments, whether Federal aid to education, with more local control; research and development, our space effort; and fair wages for our Federal employees, receive my full and affirmative support. Economy at the expense of Federal employees is false economy. We must do everything in our power to attract and retain highly qualified people to serve our country for in the long run this would be far less expensive than the continual retraining of replacements.

Mr. MONAGAN. Mr. Chairman, a great deal of public attention has been focused upon titles I and II of H.R. 7977, which provide for increases in postal rates and Federal salary scales. This is as it should be. These provisions are extremely important and should be subject, in the fullest measure, to public discussion and debate.

No less important, however, in my view, is title III of H.R. 7977 which would establish a procedure for halting the flow into our homes of advertisements for erotically arousing or sexually provocative matter. For the first time, individuals and parents will be able to take steps to protect themselves from the affront to their sensibilities of receiving this pandering material. As is well known, much of it comes addressed, by name, to young children, whose lack of sophistication and experience has become the target of mail order profiteers, trafficking in filth. I have seen shocking examples of pornographic literature which has been sent to residents of my district, and who in turn have sent it to me with an appeal for protection from such intrusions. I am convinced that we must provide the protection requested, by Federal law.

Objection to this title has been raised by some who see in it a threat to freedom of speech or other constitutional guarantees. It should be noted, however, that no official action can be initiated until a recipient himself notifies the Post Office Department of his desire not to receive such material. Further, the provisions of title III have been the subject of study by legal experts, and of extensive hearings. They have been carefully drafted to accord with such recent Su-

preme Court decisions in this area as *Ginzburg v. U.S.*, 383 U.S. 463 (1966).

At present, every American stands defenseless against assault by unsolicited, provocative advertising matter. This legislation will help to erect a modest defense and is urgently needed to protect our homes and our children.

Mr. POOL. Mr. Chairman, I have always voted for Federal employees to have comparable pay to that of industry. I regret that I am prevented from voting for their pay raise at this time. If their pay raise were a separate bill I would have been able to vote for it. I cannot vote for an increase in first-class mail when it is already paying 103 percent of its cost. I cannot vote for a delegation of the powers of Congress over the pay of judges, executive employees, and Members of Congress. The delegation to a commission of this power violates the separation of powers constitutional provisions set up by our Founding Fathers.

Mr. FINO. Mr. Chairman, I rise in support of the proposed postal pay raise bill.

This bill is long overdue. I regret that it does not go as far as we would like in legislating salary comparability for Federal civil service and postal workers, but I recognize the need for compromise. We have a President in the White House who does not like to spend money. He runs a tight budget which is going to be only \$28 billion in the red this year. Evidently, the President is going to take it out of the hide of the Federal civil servants and postal workers. He has already vetoed the Federal employee insurance increase bill, even though he has proposed contributing another \$200 million to the Asian Development Bank. Either we have a budget problem or we do not. But we should not have one budgetary standard for foreign giveaways and another for hard-working Federal employees.

I am also sorry that the postal pay bill had to be tied to the postal rate increase bill to get it past the White House. I am against the postal rate increase, more particularly on first-class mail. It is beginning to seem like the postal rate goes up every few years. Maybe we would not have to raise postal rates if we were to throw a few dictators off the foreign aid gravy train or clean out the \$20,000 a year radicals and agitators from the phony antipoverty war. Maybe then we could afford to operate the Post Office with reasonable rates.

With some misgivings, I support the distinction which the committee has seen fit to draw between postal workers and other Federal employees. Under normal circumstances, I would oppose any such distinction between groups of workers as discrimination, but in this case, I think that the special 6-percent raise for letter carriers and other postal workers is justified. Consider the letter carrier: he spends all his working days in one grade. He cannot look forward to grade level increases like other Federal employees. All he can hope for are in-grade pay raises. In the last few years, he has been painfully burdened by inflation—a result of the spending policies of that same President who is now vetoing Federal employee legislation while proposing bigger handouts in Southeast

Asia. I think that the 6-percent raise for postal employees is necessary.

I must admit that I would like to see the rest of our Federal employees get larger raises. The goal of comparability for civil service people and private industry is getting farther and farther away. Inflation keeps mounting and mounting. Private industry's pay scales are escalating, but those of the Federal Government certainly are not keeping pace. Comparability has become a broken promise, not a reality.

Quite frankly, I do not see how President Johnson intends to try to attract high caliber civil servants into the Government. First of all, the salary scales are poor and there is no sign that the President is really committed to comparability. Second, from his attitude in giving handouts to domestic and international agitators and peanuts to civil servants, particularly his veto of the insurance bill, Mr. Johnson is conveying an attitude that civil servants are second-class citizens. Then third, we have the shakedown that is practiced on civil servants to get them to buy tickets to dinners or buy Government bonds.

All of this is making the civil service more and more unattractive to young people and we have only the administration to blame. Of course, the entire civil service has not suffered—there are a few programs with fat budgets, high grades, and plush treatment; namely, the war against poverty.

I hope that the Members of this House will not dilute this bill. If anything, it gives too little to the civil service workers who are already suffering from inflation and total lack of comparability. I am glad that two additional steps of increase are provided for, although I am afraid that by the time these subsequent increases come due, inflation will have made further inroads on national purchasing power, and that once again comparability will be a broken promise.

I support this bill, but with regret that it had to be pared down and lumped with a postal rate increase bill in order to get past the President. In the balance, however, I urge passage of this package. It is better than nothing and it will help our civil servants to regain some of the purchasing power they have lost in the last few years.

Mr. RANDALL. Mr. Chairman, I support H.R. 7977, which has been entitled "Postal Revenue and Federal Salary Act of 1967." In some of the levity interjected into the debate, this package made up of postal rate increases and salary increases was frequently referred to as a marriage. It was recalled it was not a convenient or pleasant union but a marriage of necessity. For some of us this sort of description of the package is not very amusing. It is a most serious matter to raise postal rates. It is equally serious, however, to disregard our deserving postal employees and all our other career employees who are well trained, experienced, and dedicated people, but are underpaid.

In the area of postal rates, there have been charges and countercharges thrown back and forth during the lengthy debate as to what classes of

mail pay their own way and what classes are so burdensome that they should pay more than their present rates. Certainly there was adequate debate on the emotional third-class mail issue. I was in hopes the amendment of the gentleman from Illinois [Mr. ANDERSON] which would spread out the increase on third-class mail more equitably than the committee version would have prevailed.

Certainly one who listened carefully to the debate could not help but realize the amendment of the gentleman from West Virginia [Mr. HECHLER] would put many small direct mail firms out of business. His amendment would result in considerable if not widespread unemployment in certain large publishing centers of our Nation. We all agree that third class must pay a fair rate so that outdoor advertising and the newspapers will not be put at a disadvantage because of the third-class subsidy.

But Mr. Chairman, there is another area of greater concern for many of us who represent districts containing smaller newspapers who will suffer sharp increases in rates for these second-class publications. It is my privilege to represent 11 counties in a congressional district where there are about 40 very excellent weekly newspapers. You will recall the subcommittee had earlier proposed increases that were as much as 300 percent. Naturally these papers reacted to these unfair and unreasonable increases. The original administration proposal was much more reasonable and the final committee draft seemed to be acceptable to the representative of most of our newspapers which happens to be the National Newspaper Association.

I think it is proper to comment briefly upon the importance of these newspapers of our smaller cities. Their rates must not be increased over the amount of the committee recommendation. Smaller papers must use the mails. Big city papers are largely carrier-delivered while the smaller newspapers are completely dependent upon the mail.

The importance of these papers, outside the urban areas lies in the fact something must be done to stop the migration of the population from the rural to the urban areas. We cannot accept it as an inevitable fact that there will be nothing but several great megalopolis. We must stabilize those towns between 2,500 and 5,000 population. We cannot accept it as inevitable or even unavoidable of this emigration from rural to urban areas. Herein lies the importance of these smaller papers as an instrument of information and a source for stability in these smaller communities.

There is a long tradition in this country by the Congress seeking to encourage business enterprises dedicated to informing and educating the public. I am sure that is why we establish preferred second-class mailing privileges in the first place. The small town weekly newspapers will continue to play a valuable role in our society. Nothing can replace them. They report local community news in a way no other media can and it gives the citizens of these smaller cities a sense

of participation that the large anonymous mass media can never approach.

When limitation of debate was imposed there was no time to properly argue the elimination of section 115 which in my opinion should be taken out in its entirety. Hopefully, the other body in its consideration of this bill will strike out this section. This is the part of the bill which would require our small newspapers to pay the much higher or third-class rate for that portion of the publication which in some instances is called the "peach" section because of the peach color paper it is printed on. In all fairness, these advertising supplements should be carried as second-class matter because in many instances there is a fair mixture of classified advertising with display advertising.

It would seem to be fair to permit our small papers to continue to be charged second-class rates as long as they comply with the present postal regulations of what is called the 25-percent rule. Such a guideline permits second-class rates to apply so long as at least 25 percent of the paper is other than advertising copy. In other words, present law specifies the total package of the newspaper in order to qualify for second-class material must add up to at least 25 percent news.

Section 115 is not acceptable to our smaller papers because there are no guidelines established as to just exactly what constitutes an "advertising supplement." We are unfortunately being asked to accept a section where complete reliance is placed in the Post Office Department to provide definition and procedure by which this section can be administered. This means that postal employees will be charged with responsibility to determine what portions should be charged second-class rates and what portions should go at third-class rates.

As a revenue measure, section 115 will mean virtually nothing because the smaller papers will simply leave the inserts out of their mail copies. A bad result might be to drive some of these advertisers in the third-class field and create further postal problems in that classification.

It goes without saying there is hardly a Member that does not regret having to increase first-class mail rates. Historically and as a postal rate-fixing policy, such first-class mail has been regarded as a preferred service and therefore the postage for such first-class mail should be sufficient to cover the entire amount of the expense allocated to such a class of mail, plus an additional amount to represent the quality and character of the service rendered in terms of priority, secrecy, security, and speed of transmission.

Our Post Office Department carries a heavy burden. However, if the various classes of postal rates are raised, the Department will have no choice or alternative but to give good service to all of its patrons. All present services must be maintained. There can be no further talk of a suspension of Saturday deliveries, or limiting business deliveries to one per day. Hopefully this legislation will provide the funds for some postal mod-

ernization and perhaps even restoration of 6-day-parcel-post service. Hopefully also this legislation may lead to some door delivery in residential areas now served by roadside boxes.

Title II of the bill deals with Federal salary increases including those in the general classified grades as well as our faithful postal employees. We have public servants in this country that are unmatched by any other country anywhere in the world. We expect and demand of them unusual dedication. Certainly they have a right to expect in return from their Government compensation which will match their unselfish service. We must work out a pay scale that will approach that of private industry. In the past few years the Congress has improved retirement and other fringe benefits which compare favorably with such benefits in private industry. Yet what Member of Congress can argue that we have yet achieved comparability with private industry?

How can we forget that these postal and Government employees have families to clothe, house and feed and children to educate and all of the problems and expenses of other Americans. The members of the postal clerks organization and the letter carriers organization of our congressional district, in their correspondence to our office have pointed out how many are compelled to "moonlight" on a second job, working their regular 8-hour day and then sometimes working several hours at another job. The recent tragedy in Detroit involved a postal employee who killed his wife. This was a man who had been moonlighting. Police found his two baby girls had died of malnutrition, which is another way of saying they may have starved to death.

Members of our letter carriers group and the clerks organization have pointed to the increases that have been granted to building craftsmen because they are organized and can bargain effectively for an increase in wages. These same constituents point out how our own State legislators passed a pay increase for their membership. They have not been hesitant to mention in their letters the current strike in the automobile industry. These same postal workers have noted that all municipal employees of the city of Kansas City have been awarded a 5-percent pay increase by the city council of that city.

As one Member, I cannot blame these postal workers for calling to the attention of their Congressman the fact that when nearly everyone whether in industry, in the employ of the State, and even city employees receive wage increases why should there be any hesitancy to grant a fair and equitable increase in pay to postal workers and other Government employees. It is impossible of course to satisfy everyone and the pay raises contained in this bill may be below the request by some employee groups. The raises are somewhat more liberal than recommended by the President. The pay raises are however fair and realistic. They represent a step toward the achievement of comparability between Federal workers and those in private industry.

It would be inexcusable to further neglect or delay just and fair pay for our most deserving postal workers and classified employees.

Mr. DONOHUE. Mr. Chairman, I hope that the House, after thorough debate and full consideration of any amendment improvements offered, will accept and endorse the substance of this bill before us, H.R. 7977, the Postal Revenue and Salary Act of 1967.

The basic purposes of this legislation are to increase postal rates in order to provide postal revenues approximately equal to postal operating costs after the deduction of public service expenses; to increase the salaries of postal and other government employees in order to bring Federal salary schedules to levels comparable to those in private industry; to improve the mailing privileges for members of the Armed Forces; to modernize the regulations affecting the forwarding of mail matter to the blind; and to regulate, in reasonable solution, the harassing and vexing problem continuing to trouble great numbers of our citizens, especially in the protection of their minor children, of mail reception of unsolicited, undesirable, and morally offensive matter.

Mr. Chairman, the managers of debate on this bill, on both sides, have already fully and carefully explained the meanings and effects of the various provisions of the bill and repetition would only and unnecessarily prolong our discussion here. Of course some differences of opinion exist on various provisions in the bill and many of us are still very deeply concerned about inequities that may be yet contained in the postal rate adjustments recommended by the committee. However, all of us realize that differences of opinion, not involving high principle, must be resolved if we are to achieve here any measure of progress, admittedly needed, in this difficult legislative area. It is further realized there is no such thing as a perfect bill so we are inclined to accept what we think is the best majority judgment that can be obtained and pledge to improve, by appropriate future amendment, any deficiencies that become apparent through experience.

Mr. Chairman, in summary projection, this bill is a combined rate and pay bill providing limited salary advances for postal and Federal employees and some postage rate adjustments to obtain additional revenues in paying for it. This type of legislative action has been commended as an assumption and assertion of congressional responsibility that has long been desired.

The salary schedules now urged in this bill are in full accord with modern business practices and they are essential in our purpose to give further faith and implementation to the prudent policy, practically universally recommended by recognized authorities, of comparability of Federal and private industry salaries.

Mr. Chairman, I submit it is only practical commonsense to realize, in these challenging times, that if our faithful and efficient postal and Federal employees are reasonably encouraged in meeting their family obligations, whose costs are, unfortunately but ever, increasing,

they will face the future with renewed economic confidence and there will be little doubt about their effective duty performance, their loyalty as good Americans, and their repudiation of any and all extremist appeal detrimental to the national interest. It is also good commonsense to provide reasonable inducements for recruitment, now and in the future, of the most faithful and capable individuals for career Federal Government service.

Mr. Chairman, as I have already indicated, neither this bill, nor any other of which I am aware, can be termed perfect, but it does represent the majority conscientious recommendations, after long and extended hearings and study, of those Members of Congress and experts outside the Congress, who are most knowledgeable and best versed in this legislative field. The overall provisions of this bill are undoubtedly designed for the best national interest and I hope this House will soundly approve the bill.

Mr. BUTTON. Mr. Chairman, a new member of the Committee on Post Office and Civil Service is subjected to quite a baptism by fire, particularly when he is assigned to serve on the Subcommittee on Postal Rates and an all-time high record rate bill is proposed. As one who left a post as a newspaper editor when elected to Congress, I thought I knew a good bit about postal operations before I came here. I soon learned my knowledge was inadequate to the task of helping shape a complex postal rate increase bill. I have acquired a considerable education in the past 5 months.

One of the first things I learned is that the postal deficit is not what it is supposed to be. While the Postmaster General sometime speaks of a \$1.2 billion "deficit," the true revenue deficiency is only about half that much. The law in effect since 1958 recognizes that there are certain necessary, desirable, and expensive functions performed by the Post Office Department which do not belong in the deficit.

For example, there are post offices located in practically every hamlet, for the convenience of area residents. The postmaster's salary in many of these third- and fourth-class offices often exceeds the revenue received but as a matter of public policy these losing operations are continued. Obviously, the cost of operating such offices would not be continued if the postal service were run as a purely business operation. Logically, the Congress has determined that such costs are not properly chargeable to users of the mails and should be borne by taxpayers generally.

The operation of small post offices in hamlets is just one example of many that have been earmarked by Congress as public service costs. The total bill for public services by the post office is now about \$600 million, and this sum needs to be subtracted from the alleged deficit of \$1.2 billion. So the true deficiency is about \$600 million, not \$1.2 billion. Anybody who uses the \$1.2 billion deficit figure is ignoring the law of the land, the Postal Policy Act of 1958, as amended in 1962. The pending bill, H.R. 7977, would make no change in that law. The Post-

master General did not recommend any change, and the committee did not vote for any change.

In his testimony before the Subcommittee on Postal Rates last May, Postmaster General Lawrence F. O'Brien discussed public services in these words:

In the last analysis, postal services are paid for by the people of the United States, either directly, through the purchase of our services, or indirectly, through taxation. For the nation as a whole, there is and can be no postal deficit. The cost of postal service has to be paid one way or another. The major question throughout the entire history of the postal service has been one of equity—what proportion of the cost should be borne by those who use the mail, and what proportion should be borne by the people generally? Should these deficits be paid from general tax receipts or from the earnings of those whose demands for postal service caused the deficits?

The Postal Policy Act of 1958, as amended in 1962, went far to answer that question. It specified certain types of postal service as legitimately the concern of the nation as a whole, the cost of which should not be borne directly by the postal patron, and should not be considered in calculating rates, but rather should be paid from the general Treasury.

Testimony was presented to the subcommittee by mailers that there are a number of public services that have not been identified and included in the set-aside, with costs to be borne from general revenues instead of recovered from mailers in the form of higher rates. I believe it would have been fruitful if the subcommittee had explored this area. I hope that such an investigation can be made before the next rate increase bill is presented to Congress.

For example, the cost of maintaining rural routes and star routes is only reflected under present practice to the extent of 10 to 20 percent of their cost. And the law enforcement activities of the Postal Inspection Service—necessary and fruitful as they are in the war on crime—are not included among public services at all. I am convinced that a thorough study would uncover other costs incurred for public welfare purposes that should be included in the public service category.

We have to recognize that the Post Office is much more than a mail-delivery service. It does many things having nothing to do with the mail, such as register aliens, sell savings bonds, report forest fires, and sell duck stamps. It is proper that these activities be carried out as a part of the public policy. However, these costs should not be included in the price of mailing a letter, a newspaper, a magazine, a catalog, a book, or a parcel.

The Post Office is an essential national communications network. The fact that it recovers about 80 percent of its operating costs through charges and fees makes it less expensive to operate than any other Government department, even without the increased revenue we are about to vote in this pending bill.

To a newcomer who has taken a crash course in postal economics all summer, a primary lesson has been the realization that public services consume a considerable share of the postal expense dollar and that legislation we enact should

properly reflect that fact. Since our subcommittee concluded hearings, Postmaster General O'Brien has supplied another example of the public service role of the Post Office. He has announced that rural delivery service has been extended to less densely populated areas. Now mail is delivered in areas where the population density is only 1.5 families per mile.

The previous minimum to receive mail delivery service was two families per mile. This is a perfect example of a public service. Naturally the cost of this additional service will exceed the extra revenue generated. Of course, if the postal system were operated purely as a business, remote families would not receive delivery service. That day should never come and to keep that day from ever arriving, we should once again engrave on stone the fact that "Postal service is public service."

Mr. LAIRD. Mr. Chairman, for several years I have called on the House to report and consider postal pay increases in separate legislation. Postal employees, postal users, and the public will only receive fair and equitable consideration in this way. Postal employee legislation continues to be used as a vehicle to carry and pass civil service pay increases, congressional pay increases, cabinet members pay increases, Federal judges pay increases and now a 20-percent first-class postal rate increase, as well as rate increases for second- and third-class postal rates.

The postal employees of my district through their representatives and in many letters from them and from others in Wisconsin have asked me to vigorously oppose the use of their pay legislation as a means of accomplishing certain objectives that could not be accomplished if required to stand on their own merits.

The debate for the past 2 days has been listened to with great interest by me and once again we are proving the mistake in loading down a postal pay bill with poorly considered and in some cases unpopular additional programs and amendments.

Mr. Chairman, I realize that this legislation will pass today but in keeping with my commitment to oppose the use of postal pay legislation as a means to accomplish that which could not pass this House on its own merits, I will vote no in protest to this procedure.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 7977, the Postal Revenue and Federal Salary Act of 1967, with the committee amendments.

As a former member of the Committee on Post Office and Civil Service, I have a great deal more than academic interest in this legislation. I have listened very carefully, during yesterday's general debate and today's consideration of the various amendments which have been offered, to the statements of my friends on both sides of the aisle. I am satisfied that the committee has placed before us one of the most difficult pieces of legislation to reach the floor this session. The supporters of this legislation are quick to admit that it has weaknesses. Its opponents readily concede its strengths.

Irrespective of whether a position pro or con is taken, the fact remains that the reported measure represents weeks of the most intensive study by the full Committee on Post Office and Civil Service and, before that, it required literally months of consideration by the Subcommittee on Postal Rates, the Subcommittee on Compensation, and the Subcommittee on Postal Operations, each of which labored exhaustively on one of the three titles into which the committee amendments are divided. The result, as the distinguished chairman, the gentleman from New York [Mr. DULSKI], has stated, is "the most comprehensive, single legislative measure ever reported from the Committee on Post Office and Civil Service."

Title I—postal rates—of the committee amendment to the text of H.R. 7977 provides much-needed postal revenues. It also carries out the President's basic recommendations on postal rate legislation. Any quarrel with a specific provision of title I pales into insignificance by the major overall effort to bring postal revenues into line with operating costs.

Title II—Federal salary increases—deals with one of the most important responsibilities which regularly falls upon Congress. This is the periodic review and adjustment of salaries paid to employees of the Federal Government. We know, of course, that the compensation of postal, classified, and many other categories of Federal employees is determined by Federal law rather than by the general economic condition of the country. It is therefore incumbent upon Congress to see to it that the salary of every Government worker reflects as accurately as possible the responsibility of the work he is doing, the services he is rendering to his country, and is comparable to the compensation being paid for similar work in private business and industry.

It is this principle of comparability—since 1962 a specifically stated policy of Congress though not yet a fully realized goal—that necessitates our present consideration of legislation that will advance the civil service toward this objective.

Title II of the committee amendments does represent, in my opinion, a reasonable and fiscally sound compromise between what we would like to do, that is, the immediate attainment of full comparability, and what is within our fiscal capacity. The provisions of title II promise a moderate raise this year to postal employees and other Government workers. Although title II does not provide for the attainment of full comparability in 1967 or 1968, it does give strong hope and assurance that this goal will be reached in 1969.

The thrust of title III—prohibition of pandering advertisements—can easily be appreciated by parents with young children at home. Obscenity has no place in the mails, and protection by law ought to be afforded our citizens against advertisements of indecent nature. A man's right to the privacy of his home ought to be protected against unwelcome intrusion, whether it be through the mails or in the person of an uninvited stranger.

Mr. Chairman, the combination of titles I, II, and III gives us a package of legislation which may not be completely

free of flaws, but it nevertheless provides for definite improvement in three important areas of our national life.

I urge a favorable vote for H.R. 7977, Mr. GROSS. Mr. Chairman, I move to strike out the last word.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, as I understand it, the supply of amendments has been exhausted and we are now approaching the end of this bill.

I expect to offer the motion to recommit. It will provide for a 4.5-percent increase for Federal workers other than postal employees, who would be given a 6-percent increase as under the terms of the pending bill.

The recommittal motion will also provide for striking out the two-phase increases from the pending committee bill; and for the reason that these increases are projected into the unknown economic and financial future in undetermined amounts.

Last but not least the recommittal motion will seek to strike from the bill the unthinkable provision for the creation of a Commission to establish in the future the salaries for Members of Congress, the Federal judiciary, and the executive branch of Government, together with the allowances and expenses that are provided the offices of all these officials.

I can think of no greater delegation of power than to give a presidentially appointed Commission composed of three members appointed by the President, two from the House, and two from the Senate, and two appointed by the Chief Justice of the Supreme Court. I am unalterably opposed to giving the Chief Justice of the Supreme Court the power to appoint two members of this Commission which will give a President a 5-to-4 vote on the Commission to establish salaries for the Members of Congress, Federal judges, Cabinet members, and thousands of other officers of the Government.

Mr. Chairman, this will be a sad day in the House of Representatives if the Members now surrender and delegate to a President their power to fix their own salaries. What a confession it would be to the public if Members have now become so comfortable that they are willing to be labeled as wards of a future President.

Let me reiterate what I said earlier this afternoon: this unwarranted delegation of power to the President amounts to an abdication of our obligations and responsibilities. We might as well delegate to the President all power of appropriations, taxes, and Government policies as to give the Chief Executive our right to establish our own salaries, expenses, and allowances.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am pleased to yield to my friend from Arkansas.

Mr. MILLS. As I understand it, the gentleman's motion would provide for a 4.5-percent increase for those employees of the Government outside of the Post Office and for a 6-percent increase for those within the Post Office Department?

Mr. GROSS. That is correct.

Mr. MILLS. And you are eliminating any further increase beyond that at this time?

Mr. GROSS. That is right.

Mr. MILLS. I find myself in the position of supporting the gentleman's motion. I am not one usually who votes for a motion to recommit. But under the circumstances that prevail at the moment, with all of us in the frame of mind that we need to exercise a greater degree of control than we are presently exercising, I cannot put myself in the position of saying that the President of the United States should be required to cut back on spending and then increase spending in an area where he could not exercise any control whatsoever.

I know that some features of the bill are desirable, but I do not believe we can do everything now under the circumstances that exist that we may determine to be desirable.

Mr. GROSS. I thank the distinguished chairman of the House Committee on Ways and Means. I know of no one who is more conversant and more concerned with the fiscal affairs of this Government than the gentleman from Arkansas [Mr. MILLS], whose committee has the responsibility for providing most of the revenue to operate the Government.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am pleased to yield to the gentleman from Michigan, the distinguished minority leader.

Mr. GERALD R. FORD. I, too, intend to support the motion to recommit. I think it is fiscally responsible. It will reduce the payroll commitment, through the elimination of phase 2 and phase 3, by approximately \$2 billion.

I would like to point out that inasmuch as the committee bill does anticipate increasing the revenue over and above what the President has recommended through postal rates, I believe we can justify the differential between the civilian employees and the postal employees. As I understand the figures, under the anticipated schedule that we can foresee, and for the full fiscal year, the committee bill would bring in about \$884 million.

Mr. GROSS. That is correct.

Mr. GERALD R. FORD. Under the President's recommendations the revenue from the rates would be about \$825 million. In other words, on a 12-month basis there would be approximately a \$60 million add-on over and above the President's proposed revenue. If you take it on a 12-month-a-year basis, the extra percent for postal employees is about \$60 million, according to information given me.

The additional revenue from the rate bill does certainly cover all of the anticipated costs of the payroll for the Post Office Department.

(By unanimous consent, on request of Mr. GERALD R. FORD, Mr. GROSS was permitted to proceed for 1 additional minute.)

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. In other words, when you add up the revenue and the payroll costs, I think we are in bal-

ance, and we are doing the responsible thing from the point of view of fiscal year 1968. We certainly are doing the responsible thing for fiscal year 1969 and fiscal year 1970 by this motion to recommit.

Mr. GROSS. I thank the minority leader for his observations and urge the adoption of the motion to recommit.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

In my judgment, this Committee today has produced the best pay bill in modern times. I hope it will not be wrecked, as it will be wrecked, by the adoption of the proposed motion to recommit.

I am for economy this year. I support the gentleman from Arkansas and the gentleman from Michigan, who have been trying to do some things about the budget this year. But the cold fact, if you read the motion to recommit, is that it does not save a dime in this fiscal year. Let us get that straight. The bind is right now in this fiscal year. This leaves the pay raises for this fiscal year exactly as they are. There is no indication that we are going to be in a fiscal bind in the next fiscal year or the fiscal year beyond that, and these are the pay raises that you are striking out.

Let me tell you some other things you are voting for if you vote for this motion to recommit. I explained earlier today that for the first time next year, if this bill passes, we will not have an election year pay bill. Will that not be nice? Should you knock out the 1968 pay raise that is in this bill right now, the postal workers, who started out this year requesting 14 percent—that is what they wanted—we got them down to 6 percent this year and 5 percent next year, and on this reclassification that 220 of you, along with about 100 from the minority side voted for, and you are going to kill this reclassification if you adopt the motion to recommit.

So a vote for the motion to recommit is a vote against the postal workers and it is a vote against economy. Let me tell you why. The election year pay raise you will have next year will not be any little modest 5 percent that we provide for now. They will be back here for 10 or 15 percent, and we will be compromising for 8, 9, or 10 percent. So you are voting against the postal worker. You are voting against every classified Government worker in this country, because this confirms what we have said to the classifieds, "Boys, you wait this year. We will give more to the postal people because they need it. But you will get the raises that will bring you up to full comparability in the next two phases." And you knock that out, you will find that it is a vote against comparability, if you vote for the motion to recommit. This is a vote to welsh and renege on the promises that this Congress has made for 5 long years: We were going to give you comparability, and at long last we have it in the bill. This is really a vote to spend more money and not less. It is a vote to spend exactly the same amount in this fiscal year, but it is a vote for higher and bigger pay raises down the line under the unfair influences of an election year psychology that we will have next year.

So I urge members of the committee

and of the House to hold the line and vote down the motion to recommit. It is well intentioned and it is presented as an economy measure, but it is not an economy measure. It is a move which in my judgment will result in spending several hundred million dollars more in the 3-year phase that we have tried to cover in this bill.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Mr. Chairman, I would like to say to the Committee I have been voting pretty much a straight economy line this year and last. I have voted for the Bow amendment every time it has come up. But we have to face the fact that the cost of living has gone up, along with the fact that we have not kept our promise on comparability. I believe definitely if we want to economize, we ought to economize on things and services and not on the welfare of our people.

Mr. UDALL. Mr. Chairman, I thank the gentleman.

Mr. HALEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just cannot conceive of Members of this House of Representatives, supposedly the greatest legislative body in the world, giving to a committee appointed by the President of the United States and the Supreme Court of this country the right to say to Members of this House of Representatives that they will take over the authority to set the pay of the Members of the Congress of the United States. I think that no man in this Committee who has taken an obligation such as we have here, should vote for a bill of this kind that will absolutely hogtie and handcuff the Members of the Congress of the United States. I would think every Member of the House of Representatives would resent any such bill being brought to the floor of the Congress.

The CHAIRMAN. The question is on the committee substitute amendment, as amended.

The committee substitute amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H.R. 7977) to adjust certain postage rates, and for other purposes, pursuant to House Resolution 939, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee substitute amendment adopted in the Committee of the Whole?

Mr. RUPPE. Mr. Speaker, I demand a separate vote on the so-called William D. Ford amendment, as amended by the Udall substitute, on page 49.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. O'HARA of Michigan. Mr. Speaker, I demand a separate vote on the so-called Gurney amendment, on page 76.

The SPEAKER. The Clerk will report the so-called William D. Ford amendment, on which a separate vote has been demanded.

The Clerk read as follows:

On page 49, following line 25, add subsections (c), (d), and (e) to section 207, to read as follows:

"(c) Section 5303(a) of title 5, United States Code, is amended by inserting immediately before the semicolon at the end of subparagraph (2) thereof, except positions in the postal field service which are unique to the service."

"(d) That part of the text of chapter 45 of title 39, United States Code, under the heading 'SALARY STEPS AND PROMOTIONS' is amended by adding at the end thereof the following new section:

"§ 3561. Higher minimum rates; Presidential authority

"(a) When the President finds that the pay rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the rates of basic compensation of those positions in the postal field service which are unique to that service as to handicap significantly the Government's recruitment or retention of well-qualified employees for such positions, he may establish for such positions in the areas or locations higher minimum rates of basic compensation for one or more levels and may make corresponding increases in other step rates of the pay range for each such level. A minimum rate so established may not exceed the maximum rate prescribed by statute for the level. Increases above the maximum rate may be made only to the extent that the minimum rate is increased to an amount greater than the fourth step of the level. For the purposes of this section, the word "level" includes occupational groups and subdivisions of levels and occupational groups.

"(b) Within the limitations of subsection (a) of this section, rates of basic compensation established under that subsection may be revised from time to time by the President.

"(c) An increase in rate of basic compensation established under this section is not an equivalent increase in compensation within the meaning of section 3552 of this title.

"(d) The rate of basic compensation established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the compensation of employees in the postal field service, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President.

"(e) All actions, revisions, and adjustments under this section have the force and effect of statute.

"(f) The President may authorize the Postmaster General to exercise the authority conferred on the President by this section."

"(e) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"'3561. Higher minimum rates; Presidential authority.'

immediately below—

"'3560. Salary protection.'"

Mr. BATTIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. BATTIN. Is the vote now to occur on the William D. Ford amendment or

on the amendment offered by the gentleman from Florida [Mr. GURNEY]?

The SPEAKER. The vote will occur on the amendment offered by the gentleman from Michigan [Mr. WILLIAM D. FORD].

The question is on the amendment.

Mr. THOMPSON of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The amendment was agreed to.

The SPEAKER. The Clerk will report the so-called Gurney amendment, on which a separate vote has been demanded.

The Clerk read as follows:

On page 76, following line 6, add a new section as follows:

"SEC. —. Notwithstanding any other provisions of this title, officers and employees of the Office of Economic Opportunity shall not receive any increase in basic salary by reason of the enactment of this Act, and such officers and employees shall continue to receive compensation at the same rate of compensation in effect on the day immediately before the effective date of the salary increases provided by section 202."

The SPEAKER. The question is on the amendment.

Mr. O'HARA of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The amendment was agreed to.

The SPEAKER. The question now occurs on the committee substitute amendment, as amended.

The committee substitute amendment, as amended, was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Gross moves to recommit the bill, H.R. 7977, to the Committee on Post Office and Civil Service with instructions to report the same back forthwith with the following amendments: On page 42, strike out lines 10 to 15, inclusive, and insert in lieu thereof the following:

"(a) There is established a basic compensation schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule and for which the symbol shall be 'PFS'. Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule.

On page 42, in the parenthetical matter immediately below line 15, strike out ", and ending immediately before the effective date of Postal Field Service Schedule II set forth below".

On page 42, immediately below the parenthetical matter following line 15, strike out "Postal Field Service Schedule I" and insert in lieu thereof "Postal Field Service Schedule".

On page 43, strike out all of Postal Field Service Schedule II immediately preceding line 1.

On page 43, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following:

"(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be 'RCS'. Compensation shall be paid to rural carriers in accordance with such schedule."

On page 43, immediately below line 7, strike out "Rural Carrier Schedule I" and insert in lieu thereof "Rural Carrier Schedule".

On page 43, in the parenthetical matter below line 7, strike out ", and ending immediately before the effective date of Rural Carrier Schedule II set forth below".

On page 43, strike out all of Rural Carrier Schedule II at the bottom of the page.

On page 45, line 14, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 45, lines 24 and 25, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 46 lines 6 and 7, strike out "Postal Field Service Schedule I" and insert in lieu thereof "the Postal Field Service Schedule".

On page 47, strike out lines 8 to 24, inclusive.

On page 55, strike out line 3 and all that follows down through the period in line 16 on page 57.

On page 57, line 18, strike out "SEC. 213." and insert in lieu thereof "SEC. 212."

On page 59, line 13, strike out "SEC. 214." and insert in lieu thereof "SEC. 213."

On page 61, line 5, strike out "SEC. 215." and insert in lieu thereof "SEC. 214."

On page 61, strike out line 17 and all of section 216 that follows, down through line 19 on page 68; and make the appropriate conforming changes in, and omissions of section numbers and references.

On page 68, line 21, strike out "SEC. 217." and insert in lieu thereof "SEC. 216."

On page 68, lines 21 and 22, strike out "213(d), 214, 215, and 222" and insert in lieu thereof "212(d), 213, 214, and 221".

On page 69, line 4, strike out "SEC. 218." and insert in lieu thereof "SEC. 217."

On page 69, line 9, strike out "SEC. 219." and insert in lieu thereof "SEC. 218."

On page 70, line 19, strike out "SEC. 220." and insert in lieu thereof "SEC. 219."

On page 73, line 4, strike out "SEC. 221." and insert in lieu thereof "SEC. 220."

On page 74, line 18, strike out "SEC. 222." and insert in lieu thereof "SEC. 221."

On page 75, strike out line 4 and all that follows down through the period in line 6 on page 76 and insert in lieu thereof the following:

"SEC. 222. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 215, 218, 219, and 220 shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 212 (except subsection (d)), 213, and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 212(d), 214, 217, and 221 shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title."

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees all changes in rates of pay which result from the enactment of this title (except sections 207, 212(d), 214, 215, and 221) shall be held and considered to become effective as of the date of such enactment."

Mr. UDALL (during the reading). Mr. Speaker, I ask unanimous consent that

further reading of the motion be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 199, nays 211, not voting 22, as follows:

[Roll No. 306]

YEAS—199

Abbitt	Fuqua	Nelsen
Abernethy	Gardner	Nichols
Adair	Gathings	O'Konski
Anderson, Ill.	Gettys	O'Neal, Ga.
Andrews, Ala.	Goodell	Passman
Arends	Goodling	Pelly
Ashbrook	Gross	Pickle
Ashmore	Gurney	Pirnie
Ayres	Hagan	Poage
Baring	Haley	Poff
Bates	Hall	Pool
Battin	Halleck	Price, Tex.
Belcher	Hammer-	Pryor
Bennett	schmidt	Purcell
Berry	Hansen, Idaho	Quile
Betts	Hardy	Reid, Ill.
Bevill	Harrison	Reifel
Biester	Hébert	Rhodes, Ariz.
Blackburn	Herlong	Riegle
Blanton	Hull	Robison
Bolton	Hungate	Rogers, Fla.
Bow	Hutchinson	Roth
Bray	Ichord	Roudebush
Brock	Jarman	Rumsfeld
Broomfield	Johnson, Pa.	Sandman
Brown, Mich.	Jones, Mo.	Satterfield
Brown, Ohio	Jones, N.C.	Schadeberg
Broyhill, N.C.	Keith	Scherle
Buchanan	King, N.Y.	Schneebeli
Burke, Fla.	Kornegay	Schwengel
Burleson	Kuykendall	Scott
Burton, Utah	Kyl	Selden
Bush	Laird	Shriver
Byrnes, Wis.	Landrum	Skubitz
Cabell	Langen	Smith, N.Y.
Carter	Latta	Smith, Okla.
Cederberg	Lennon	Snyder
Chamberlain	Lipscomb	Springer
Clancy	Lloyd	Stanton
Clausen,	Long, La.	Steed
Don H.	Lukens	Steiger, Ariz.
Cleveland	McCarthy	Steiger, Wis.
Collier	McClory	Stephens
Colmer	McClure	Stratton
Conable	McCulloch	Stuckey
Cowger	McDonald,	Taft
Cramer	Mich.	Talcott
Davis, Ga.	McEwen	Taylor
Davis, Wis.	McMillan	Teague, Calif.
Dellenback	MacGregor	Teague, Tex.
Denney	Mahon	Thompson, Ga.
Derwinski	Mailliard	Thomson, Wis.
Devine	Marsh	Tuck
Dickinson	Martin	Vander Jagt
Dole	Mathias, Calif.	Waggonner
Dorn	May	Watkins
Dowdy	Mayne	Watson
Edwards, Ala.	Michel	Watts
Edwards, La.	Miller, Ohio	Whalley
Erlenborn	Mills	Whitener
Esch	Minshall	Whitten
Eshleman	Mize	Williams, Pa.
Evins, Tenn.	Montgomery	Wilson, Bob
Findley	Moore	Winn
Flynt	Morton	Wylie
Ford, Gerald R.	Mosher	Wyman
Fountain	Myers	Zion
Frelinghuysen		

NAYS—211

Adams	Bingham	Burke, Mass.
Addabbo	Blatnik	Burton, Calif.
Albert	Boggs	Button
Anderson,	Boland	Byrne, Pa.
Tenn.	Bolling	Cahill
Andrews,	Brademas	Carey
N. Dak.	Brasco	Casey
Annunzio	Brinkley	Celler
Ashley	Brooks	Clark
Aspinall	Brotzman	Clawson, Del
Barrett	Brown, Calif.	Cowles
Bell	Broyhill, Va.	Conte

Conyers
Corbett
Corman
Culver
Cunningham
Daddario
Daniels
Dawson
de la Garza
Delaney
Dent
Diggs
Dingell
Donohue
Dow
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Evans, Colo.
Fallon
Farbstein
Fascell
Feighan
Fino
Flood
Foley
Ford,
William D.
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Galifianakis
Gallagher
Garmatz
Gialmo
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harsha
Harvey
Hathaway
Hawkins
Hays

Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holland
Horton
Hosmer
Hunt
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Karth
Karsten
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
Kirwan
Kleppe
Kluczynski
Kupferman
Kyros
Leggett
Long, Md.
McDade
McFall
Machen
Madden
Mathias, Md.
Matsunaga
Meeds
Meskill
Minish
Mink
Monagan
Morgan
Morris, N. Mex.
Morse, Mass.
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Whalen
White
Widnall
Wiggins
Wilson,
Charles H.
Wolf
Wright
Wyatt
Wyman
Yates
Young
Zablocki
Zion

Pike
Pollock
Price, Ill.
Pucinski
Quillen
Rallsback
Randall
Rees
Reid, N.Y.
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
Saylor
Scheuer
Schweiker
Shipley
Sisk
Slack
Smith, Iowa
Stafford
Staggers
Stubblefield
Tenzer
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walker
Wampler
Whalen
White
Widnall
Wiggins
Wilson,
Charles H.
Wolf
Wright
Wyatt
Wyman
Yates
Young
Zablocki
Zion

NOT VOTING—22

Curtis
Downing
Everett
Fisher
Howard
Jonas
Macdonald,
Mass.

Miller, Calif.
Moorhead
Multer
Rarick
Rivers
St. Onge
Sikes
Smith, Calif.

Sullivan
Thompson, N.J.
Utt
Williams, Miss.
Willis
Wydler
Zwach

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Everett for, with Mr. Rivers against.

Until further notice:

Mr. Multer with Mr. Curtis.
Mr. Miller of California with Mr. Utt.
Mrs. Sullivan with Mr. Wydler.
Mr. Thompson of New Jersey with Mr. Jonas.

Mr. St. Onge with Mr. Smith of California.
Mr. Sikes with Mr. Zwach.
Mr. Howard with Mr. Rarick.
Mr. Fisher with Mr. Macdonald of Massachusetts.
Mr. Williams of Mississippi with Mr. Moorhead.
Mr. Willis with Mr. Downing.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. UDALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 318, nays 89, answered “present” 1, not voting 24, as follows:

[Roll No. 307]

YEAS—318

Adair
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews,
N. Dak.
Annunzio
Ashley
Aspinall
Ayres
Baring
Barrett
Bates
Battin
Bell
Bevill
Biester
Bingham
Blackburn
Blanton
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Wash.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burton, Calif.
Burton, Utah
Button
Byrne, Pa.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen,
Don H.
Clawson, Del.
Cleveland
Cohelan
Conable
Conyers
Corbett
Corman
Cramer
Culver
Cunningham
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Denney
Dent
Diggs
Dingell
Dole
Donohue
Dow
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Flood

Foley
Ford,
William D.
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fultys
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Gardner
Garmatz
Gettys
Gialmo
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gurney
Haley
Hallack
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hays
Hebert
Heckler, Mass.
Helstoski
Henderson
Hicks
Holifield
Holland
Horton
Hosmer
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Joelson
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kyros
Leggett
Lloyd
Long, La.
Long, Md.
McCarthy
McClory
McCulloch
McDade
McDonald,
Mich.
McEwen
McFall
MacGregor
Machen
Madden
Mailliard
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Meeds
Meskill
Miller, Ohio

Minish
Mink
Minshall
Milze
Monagan
Moore
Morgan
Morris, N. Mex.
Morse, Mass.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Pollock
Price, Ill.
Price, Tex.
Pucinski
Purcell
Quie
Quillen
Rallsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reinecke
Resnick
Reuss
Rhodes, Pa.
Roberts
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Ruppe
Ryan
Sandman
St Germain
Saylor
Schadeberg
Scherle
Scheuer
Schweiker
Schwengel
Scott
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stratton
Stubblefield
Taft
Talcott
Taylor
Teague, Calif.
Tenzer
Thompson, Ga.
Thomson, Wis.
Tiernan
Tunney

Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watkins
Watson

Whalen
Whalley
White
Whitener
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Wilson,
Charles H.
Winn

NAYS—89

Abbitt
Abernethy
Adams
Andrews, Ala.
Arends
Ashbrook
Ashmore
Belcher
Bennett
Berry
Betts
Bow
Bray
Brook
Buchanan
Burleson
Bush
Byrnes, Wis.
Collier
Colmer
Cowger
Davis, Ga.
Davis, Wis.
Devine
Dickinson
Dorn
Dowdy
Edwards, Ala.
Flynt
Ford, Gerald R.

Gathings
Goodell
Gooding
Gross
Hagan
Hall
Hammer-
schmidt
Hansen, Idaho
Hechler, W. Va.
Herlong
Hull
Jarman
Jones, Mo.
Keith
Kuykendall
Kyl
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Lukens
McClure
McMillan
Mahon
Marsh
Martin
Mayne

Michel
Mills
Montgomery
Morton
Nelsen
O'Neal, Ga.
Passman
Poage
Poff
Pool
Pryor
Reifel
Rhodes, Ariz.
Riegle
Robison
Roth
Rumsfeld
Satterfield
Schneebeli
Selden
Smith, Okla.
Springer
Steiger, Ariz.
Stuckey
Teague, Tex.
Tuck
Waggonner
Watts
Whitten
Wylie

ANSWERED “PRESENT”—1

Derwinski

NOT VOTING—24

Blatnik
Conte
Curtis
Downing
Everett
Fisher
Howard
Jonas
Macdonald,
Mass.

Miller, Calif.
Moorhead
Multer
Rarick
Rivers
St. Onge
Sikes
Smith, Calif.
Sullivan
Thompson, N.J.

Utt
Williams, Miss.
Willis
Wydler
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rivers for, with Mr. Everett against.
Mr. Conte for, with Mr. Derwinski against.

Until further notice:

Mr. Multer with Mr. Curtis.
Mr. Miller of California with Mr. Utt.
Mr. St. Onge with Mr. Wydler.
Mr. Thompson of New Jersey with Mr. Jonas.
Mr. Sikes with Mr. Zwach.
Mrs. Sullivan with Mr. Smith of California.
Mr. Blatnik with Mr. Williams of Mississippi.
Mr. Moorhead with Mr. Fisher.
Mr. Howard with Mr. Downing.
Mr. Macdonald of Massachusetts with Mr. Willis.

Mr. BURTON of Utah changed his vote from “nay” to “yea.”

Mr. COLLIER changed his vote from “yea” to “nay.”

Mr. DERWINSKI. Mr. Speaker, I have a live paid with the gentleman from Massachusetts [Mr. CONTE]. If he had been present he would have voted “yea.” I voted “nay.” I withdraw my vote and vote “present.”

The result of the vote was announced as above recorded.

The title was amended so as to read: “A bill to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regu-

late the mailing of pandering advertisements, and for other purposes."

A motion to reconsider was laid on the table.

AUTHORIZATION TO MAKE APPROPRIATE CONFORMING CHANGES IN H.R. 7977

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make the appropriate conforming changes in, and omissions of, section numbers and references in the bill (H.R. 7977).

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill H.R. 7977, and include extraneous material therein.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PRESIDENT OF NIGER SAYS PEACE CORPS IS BEST GIFT UNITED STATES HAS MADE TO HIS COUNTRY

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter).

Mr. O'HARA of Illinois. Mr. Speaker, the bill to continue the good work of the Peace Corps is expected soon to be reported out by the Committee on Foreign Affairs and to reach the floor of the House this month. I anticipate its passage by a vote unanimous or close to that.

In this connection I am happy to call the attention of my colleagues to the following address by his Excellency Diiori Hamani, President of Niger, at the Virgin Islands Training Center, St. Croix, Virgin Islands on September 28, 1967.

Mr. Governor, Madame Governor, Ambassador Ryan, ladies and gentlemen, and my young friends of the Peace Corps: during the discussions I had with President Johnson at the White House, we talked at one point about the possible shortening the length of my stay in the United States. The President asked me, "If your trip is shortened, will you be able to go to the Virgin Islands?" I said, "Mr. President, if I must sacrifice one part of my program in the United States, it would certainly not be my visit to the Virgin Islands, since it will be an occasion for me to renew contact with the Peace Corps, to see in person the work which is being done there."

I must confess to you, and I believe that this feeling is shared by the members of my delegation, I would never have imagined that to be a Peace Corps Volunteer one must submit to so difficult a test; to a training program harder than that of a school or university; to a training program perhaps more difficult even than the training of youth in national armies.

It is a lesson for us in Niger, for the leaders of Niger. Every year, as my Peace Corps friends know, I speak at the National Lycee,

at the awarding of honors to the secondary schools for boys and girls. I say to my young Nigerien friends that the Chief of State and head of government is a political student—he learns each day.

I can assure you that today I have learned a great deal from Peace Corps training, and that I have retained much of the positive things you do here. To Mr. Neager Djuvara, my advisor, who is also a teacher at our school of administration, I was saying, we must be inspired by the pragmatism of American Peace Corps training. In training the young classes of our school of administration, we must get away from the academic concepts. As the director of the Peace Corps training center has pointed out, great teachers dominate learning and often make very long and very tedious lectures, whereas here the Peace Corps training is done in a practical manner.

Being a volunteer—this word is a whole program. To be a Volunteer is to make a free choice; to take the option; to give service to one's neighbor. And this is remarkable.

For those who know the situation in the United States; the comfort one finds there for the young; the ease of living in the universities, schools and workshops; when one stops to compare certain of your fellow countrymen who at the age of 22 or 23 prefer parties on Sundays; where they dance the "jerk" or the "be-bop"; and when one sees these young people abandon all that to come to the Virgin Islands to undergo painful and hard training and climate, I am obliged to tell you that I admire you greatly—you and your decision to accept such sacrifices.

In Washington, a reporter of the United Press asked me, "Mr. President, what do you think of the Peace Corps?" And the answer I gave him was the following:

I consider the Peace Corps the best gift that the United States has made to Niger. For when one is 22 to 25 years old with his future before him and accepts to come work in the difficult conditions of Niger, in total selflessness, for such young men and women one can have only admiration, consideration and esteem for that generation.

The selflessness of these young people equals their youthful zeal and it is for this reason that in the rediscovery of men, in short, in the rediscovery of brotherhood, which has been the dream of humanity, I believe that the founders of the Peace Corps promoted this generous and ingenious idea as the means to rediscover universal brotherhood, brotherhood among people.

I believe that after a few years, when a great number of Peace Corps Volunteers have come back from Africa, Asia, Latin America, they will gain importance and consideration in the United States. Peace Corps Volunteers will be members of Congress, leaders in business, educators in universities, lawyers and governors. When this happens something will have changed, not only in the United States but on the face of the world in the sense of this rediscovery of brotherhood, of happiness, of men in general. It is for this rediscovery of man, of this brotherhood of human dignity that I say, Long Live the Peace Corps!

THE OUTER SPACE TREATY

(Mr. ZABLOCKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZABLOCKI. Mr. Speaker, I join the distinguished majority leader [Mr. ALBERT], in marking the historic signing of the Outer Space Treaty at the White House yesterday.

This treaty is a landmark in international cooperation and a sign of hope in deeply troubled times.

It promises that mankind will explore outer space and the planets in a spirit of peace and cooperation.

It promises also that arms control agreements can be achieved despite the difficult political problems which mark our times.

At the signing, the Secretary of State, the Honorable Dean Rusk, made a few most appropriate observations on the significance of the treaty and its implications for world peace and security.

Because his remarks sum up well the meaning of the Outer Space Treaty to the future of mankind, I am pleased to insert them at this point:

STATEMENT FOR THE SECRETARY OF STATE AT THE SPACE TREATY ENTRY INTO FORCE CEREMONY, OCTOBER 10, 1967

Mr. President, Excellencies, Distinguished Senators and Congressmen, Ladies and Gentlemen: We know, Mr. President, how much personal satisfaction you must derive from what we do here today. As Senator nine years ago you carried the message of the peaceful use of outer space to the United Nations on behalf of President Eisenhower; as Vice President and Chairman of the National Aeronautics and Space Council you pressed vigorously for peaceful cooperation in outer space; as President you directed and followed intently the negotiation of this Space Treaty in which Ambassador Goldberg so ably represented us.

We are happy to have joining with us in signing the Protocol of Deposit of this space treaty the Ambassadors of Australia, Bulgaria, Canada, Czechoslovakia, Denmark, Finland, Hungary, Japan, Niger, Sierra Leone, the Union of Soviet Socialist Republics and the United Kingdom of Great Britain and Northern Ireland.

We are confident that the overwhelming majority of the members of the international community will ratify the Space Treaty, which has now been signed by eighty-four countries.

The Treaty calls for cooperation in: —the conduct of scientific studies; —consultation concerning experiments that may have potentially harmful effects; —assisting and returning astronauts and space vehicles; —opening installations on the moon and other celestial bodies to visits by astronauts of all countries; —reporting to the United Nations on the nature, conduct, locations and results of space activities.

The Treaty also takes steps to limit and reduce the competition in armaments, a terrible burden on peoples everywhere. It prohibits orbiting nuclear or other weapons of mass destruction around the Earth, and forbids installing such weapons on the moon or any other celestial body. It raises a permanent bar against establishing on any celestial body military bases, installations or fortifications, testing any type of weapons, or holding military maneuvers.

Our meeting here today signals an important and constructive development at a time when many world problems still await resolution. It is evidence that men and nations can, in fact, achieve the maturity necessary to embody in binding form their points of agreement, despite political differences in other areas. It is evidence of the vitality of the United Nations system. The Space Treaty is testimony to the fact that nations can anticipate, negotiate, and agree upon a system of law to regulate their activities in the new environment of space beyond the Earth.

Mr. President, the Space Treaty is ready to be proclaimed as in force between the United States and those who have deposited ratifications. I now present the Proclamation to you for your signature.

90TH CONGRESS
1ST SESSION

H. R. 7977

IN THE SENATE OF THE UNITED STATES

OCTOBER 16, 1967

Read twice and referred to the Committee on Post Office and Civil Service

AN ACT

To adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Postal Revenue and Fed-
4 eral Salary Act of 1967".

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

7 SEC. 101. (a) Sections 4252 and 4253 of title 39,
8 United States Code, are amended to read as follows:

1 **“§ 4252. Size and weight limits**

2 “The maximum size of first-class mail is one hundred
3 inches in length and girth combined and the maximum weight
4 is seventy pounds.

5 **“§ 4253. Postage rates on first-class mail**

6 “(a) Postage on first-class mail is computed separately
7 on each letter or piece of mail. Except as otherwise provided
8 in this section, the rate of postage on first-class mail weighing
9 thirteen ounces or less is 6 cents for each ounce or fraction
10 of an ounce.

11 “(b) First-class mail weighing more than thirteen
12 ounces shall be mailed at the rates of postage established by
13 section 4303 (d) of this title and shall be entitled to the
14 most expeditious handling and transportation practicable.

15 “(c) The rate of postage for each single postal card
16 and for each portion of a double postal card, including the
17 cost of manufacture, and for each post card and the initial
18 portion of each double post card conforming to section 4251
19 (c) of this title is 5 cents.

20 “(d) The rate of postage on business reply mail is the
21 regular rate prescribed in this section, together with an addi-
22 tional charge thereon of 2 cents for each piece weighing two
23 ounces or less and 5 cents for each piece weighing more than
24 two ounces. The postage and charge shall be collected on
25 delivery.”.

1 (b) Subparagraphs (A) and (B) of section 4169 (a)
2 (1) of title 39, United States Code, are amended to read as
3 follows:

4 “(A) the letter or sound-recorded communication
5 is mailed by the member at an Armed Forces post office
6 established under section 705 (d) of this title which is
7 located at a place outside the forty-eight contiguous
8 States of the United States; or

9 “(B) the member is hospitalized in a facility under
10 the jurisdiction of the Armed Forces of the United States
11 as a result of disease or injury incurred while on active
12 duty; or”.

13 (c) Subparagraph (D) of paragraph (2) of section
14 4169 (a) of title 39, United States Code, is amended to read
15 as follows:

16 “(D) the letter or sound-recorded communication
17 is mailed by the member—

18 “(i) at an Armed Forces post office estab-
19 lished under section 705 (d) of this title which is
20 located at a place outside the forty-eight contiguous
21 States of the United States; or

22 “(ii) while hospitalized in a facility under the
23 jurisdiction of the Armed Forces of the United
24 States as a result of disease or injury incurred while
25 in the services with, or in, a unit under operational

1 control of a command of the Armed Forces of the
2 United States; and”.

3 (d) Section 4251 (a) of title 39, United States Code,
4 is amended by striking out “and (4)” and inserting in lieu
5 thereof “(4) bills and statements of account, and (5)”.

6 (e) Subsection (d) of section 4251 of title 39, United
7 States Code, relating to the definition of drop letters, is
8 repealed.

9 (f) The table of contents of chapter 59 of title 39,
10 United States Code, is amended by striking out—

“4252. Weight limit.”

11 and inserting in lieu thereof—

“4252. Size and weight limits.”.

12 AIRMAIL

13 SEC. 102. (a) Subsections (a) and (b) of section 4303
14 of title 39, United States Code, are amended to read as
15 follows:

16 “(a) Except as provided in section 4304 of this title
17 and subsection (b) of this section, the rate of postage on
18 domestic airmail weighing not more than seven ounces is
19 10 cents for each ounce or fraction thereof.

20 “(b) The rate of postage on each postal card and post
21 card sent as domestic airmail is 8 cents.”.

22 (b) Subsection (d) of section 4303 of title 39, United
23 States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

“(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.”;

(2) by deleting paragraph (2) ; and

(3) by striking out, in paragraph (5), subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

“(A) (i) first-class letter mail (including postal cards and post cards),

“(ii) sound-recorded communications having the character of personal correspondence,

“(iii) parcels of any class of mail not exceeding

1 five pounds in weight and sixty inches in length and
2 girth combined, and

3 “(iv) second-class publications published once each
4 week or more frequently and featuring principally cur-
5 rent news of interest to members of the Armed Forces
6 and the general public,

7 which are mailed at or addressed to any such Armed Forces
8 post office; and

9 “(B) parcels of any class of mail exceeding five
10 pounds but not exceeding seventy pounds in weight and
11 not exceeding one hundred inches in length and girth
12 combined, including surface-type official mail, which
13 are mailed at or addressed to any such Armed Forces
14 post office where adequate surface transportation is not
15 available.”.

16 (c) Section 4303 (f) of title 39, United States Code, is
17 amended by striking out “the Virgin Islands or the Canal
18 Zone” wherever appearing therein and inserting in lieu
19 thereof “or the Virgin Islands”.

20 (d) Section 4301 (2) of title 39, United States Code,
21 is amended by striking out the word “eight” and inserting
22 in lieu thereof the figure “7”.

23 SECOND-CLASS MAIL PREFERRED RATES

24 SEC. 103. (a) Section 4358 of title 39, United States
25 Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

“(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

“(In cents)			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2.”;

(2) by adding at the end thereof the following:

“(d) The rates of postage on publications mailed in accordance with section 4359 (a) of this title, of qualified nonprofit organizations, are as follows:

“(In cents)						
	“During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

“(e) The postage on classroom publications, mailed in accordance with section 4359 (a) of this title, is 60 per centum of the postage computed in accordance with section 4359 (b) of this title.

“(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed

1 for delivery in zones 1 and 2 in accordance with section
2 4359 (a) of this title, (2) which are devoted to promoting
3 the science of agriculture, and (3) when the total number
4 of copies of the publications furnished during any twelve-
5 month period to subscribers residing in rural areas consists
6 of at least 70 per centum of the total number of copies
7 distributed by any means for any purpose.

8 “(g) In lieu of the minimum charge per piece prescribed
9 by section 4359 (b) of this title, the minimum charge per
10 piece for publications (other than publications to which sub-
11 sections (d) and (e) of this section are applicable), when
12 fewer than five thousand copies are mailed outside the county
13 of publication, is 0.6 cent per piece when mailed during
14 the calendar year 1968, 0.7 cent per piece when mailed
15 during the calendar year 1969, and 0.8 cent per piece when
16 mailed thereafter.

17 “(h) The publisher of a classroom publication or of a
18 publication of a nonprofit organization, before being en-
19 titled to the rates for the publications, shall furnish such
20 proof of qualifications as the Postmaster General prescribes.

21 “(i) For the purposes of the application of this section
22 with respect to each publication having original entry at an
23 independent incorporated city, an incorporated city which
24 is situated entirely within a county, or which is situated
25 contiguous to one or more counties in the same State, but

1 which is politically independent of such county or counties,
2 shall be considered to be within and a part of the county
3 with which it is principally contiguous.

4 “(j) As used in this section—

5 “(1) ‘classroom publication’ means a religious,
6 educational, or scientific publication entered as second-
7 class mail and designed specifically for use in class-
8 rooms or in religious instruction classes;

9 “(2) ‘a publication of a qualified nonprofit orga-
10 nization’ means a publication published by and in the
11 interest of one of the following types of organizations or
12 associations if it is not organized for profit and none
13 of its net income inures to the benefit of any private
14 stockholder or individual: Religious, educational, scien-
15 tific, philanthropic, agricultural, labor, veterans’, frater-
16 nal, and associations of rural electric cooperatives, and
17 not to exceed one publication published by the official
18 highway or development agency of a State which meets
19 all of the requirements of section 4354 and which con-
20 tains no advertising;

21 “(3) ‘zones’ means the eight zones prescribed in
22 section 4553, or prescribed pursuant to section 4558, of
23 this title.”; and

1 (3) by amending the section heading to read as
2 follows:

3 **“§ 4358. Rates of postage; preferred”.**

4 (b) The table of contents of chapter 63 of title 39,
5 United States Code, is amended by striking out—

“4358. Postage rates within county of publication.”

6 and inserting in lieu thereof—

“4358. Rates of postage; preferred.”.

7 SECOND-CLASS MAIL REGULAR RATES

8 SEC. 104. (a) Section 4359 of title 39, United States
9 Code, is amended—

10 (1) by striking out subsections (b), (c), (d), and
11 (e) and inserting in lieu thereof the following:

12 “(b) Except as otherwise provided in this section
13 and section 4358 of this title, the rates of postage on publi-
14 cations mailed in accordance with subsection (a) are as
15 follows:

	“[In cents]		
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

16 “(c) For the purpose of this section and section 4358
17 of this title, the portion of a publication devoted to adver-
18 tisements shall include all advertisements inserted in the

1 publication and attached permanently thereto, except such
2 advertisements as are subject to the provisions of section
3 4656 of this title.

4 “(d) (1) Publications mailed in accordance with sub-
5 section (a), upon request by the publisher or news agent,
6 may be transported by air on a space-available basis, on
7 scheduled United States air carriers at rates fixed and de-
8 termined by the Civil Aeronautics Board in accordance with
9 section 406 of the Federal Aviation Act of 1958 (49 U.S.C.
10 1376). The Postmaster General may authorize the trans-
11 portation of publications by air pursuant to this subsection
12 only when such transportation does not impede the trans-
13 portation of airmail, air parcel post, or air transportation of
14 first-class mail on a space-available basis.

15 “(2) The Postmaster General shall prescribe from time
16 to time charges to be collected for matter transported by air
17 pursuant to this section. The charges—

18 “(A) shall be in addition to the payment of law-
19 fully required postage;

20 “(B) may not be adjusted more frequently than
21 once every two years; and

22 “(C) when prescribed or adjusted, shall equal, as
23 nearly as practicable, the amount by which the allocated
24 cost incurred by the Department for the delivery of such
25 matter by air is in excess of the allocated cost which

1 would have been incurred by the Department had such
2 matter been delivered by surface transportation.

3 “(e) As used in this section the term ‘zones’ means the
4 eight zones prescribed in section 4553, or prescribed pur-
5 suant to section 4558, of this title.

6 “(f) In addition to the rates of postage otherwise pre-
7 scribed by this section, there shall be a charge of 0.3 cent per
8 copy, when more than 500,000 copies per issue of any pub-
9 lication are mailed at the rates prescribed by this section,
10 payable only on—

11 “(1) each copy in excess of 500,000 copies per
12 issue mailed at the original point of entry; and

13 “(2) each copy mailed at other than the original
14 point of entry.”; and

15 (2) by amending the section heading to read as
16 follows:

17 **“§ 4359. Rates of postage; regular”.**

18 (b) The table of contents of chapter 63 of title 39,
19 United States Code, is amended by striking out—

“4359. Postage rates beyond county of publication.”

20 and inserting in lieu thereof—

“4359. Rates of postage; regular.”.

21 (c) Section 4369 (a) (4) of title 39, United States Code,

1 is amended by striking out “: *Provided, however,* That trade
2 publications serving the performing arts need only to furnish
3 such information to the Postmaster General”.

4 SECOND-CLASS TRANSIENT MAIL

5 SEC. 105. Section 4362 of title 39, United States Code,
6 is amended by striking out “four cents” and inserting in lieu
7 thereof “5 cents”.

8 CONTROLLED CIRCULATION PUBLICATIONS

9 SEC. 106. Section 4422 of title 39, United States Code,
10 is amended to read as follows:

11 “§ 4422. Rates of postage

12 “The rates of postage on controlled circulation publica-
13 tions found by the Postmaster General to meet the definition
14 contained in section 4421 of this title when mailed in the
15 manner prescribed by the Postmaster General are as follows:

“[In cents]			
	“Mailed dur- ing calendar year 1968	Mailed dur- ing calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8”.

16 THIRD-CLASS MAIL

17 SEC. 107. (a) Subsections (a) and (b) of section 4452
18 of title 39, United States Code, are amended to read as fol-
19 lows:

1 “(a) Except as otherwise provided in this section,
2 the postage rates of third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	Cents 6 2	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	27 $\frac{7}{8}$	3.8	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	1.9	Do.

3 “(b) Matter mailed in bulk under subsection (e) of
4 this section is subject to a minimum charge for each piece.
5 The minimum charge for each piece on such matter is the
6 minimum charge prescribed by this section, as applicable,
7 except that the minimum charge is 1.3 cents per piece on
8 such matter mailed on and after January 7, 1968, by
9 qualified nonprofit organizations (1) which are organized for
10 charitable, religious, or general health purposes, and are
11 engaged predominantly in the accomplishment of such pur-
12 poses, or (2) when such matter consists wholly of solicita-
13 tions of funds to be used for charitable, religious, or general
14 health purposes.”.

15 (b) Subsection (b) of section 4451 of title 39, United
16 States Code, relating to mailing certain bills and statements
17 of account as third-class mail, is repealed.

18 SPECIAL RATE FOURTH-CLASS MAIL

19 SEC. 108. (a) Section 4554 of title 39, United States
20 Code, is amended—

1 (1) by amending so much of subsection (a) as
2 precedes subparagraph (3) thereof to read as follows:

3 “(a) Except as provided in subsection (b) of this
4 section, the postage rate is 16 cents for the first two pounds
5 or fraction thereof and 6 cents for each additional pound or
6 fraction thereof, except that the rate now or hereafter pre-
7 scribed for third- or fourth-class matter shall apply in every
8 case where such rate is lower than the rate prescribed in
9 this subsection on—

10 “(1) books, including books issued to supplement
11 other books, consisting wholly of reading matter or
12 reading matter with incidental blank spaces for nota-
13 tions containing no advertising matter other than inci-
14 dental announcement of books;

15 “(2) 16-millimeter or narrower width films, and
16 catalogs of such films, except when sent to commercial
17 theaters;”;

18 (2) by striking out in subsection (b) (1) “4 cents
19 for the first pound or fraction thereof and 1 cent for each
20 additional pound or fraction thereof” and inserting in
21 lieu thereof “8 cents for the first two pounds or fraction
22 thereof and 3 cents for each additional pound or fraction
23 thereof”;

24 (3) by inserting in subsection (c) “or narrower
25 width” immediately following “16-millimeter”; and

1 (4) by amending subsection (e) to read as follows:

2 “(e) Articles may be mailed under this section in
3 quantities of one thousand or more in a single mailing, as
4 defined by the Postmaster General, only in the manner
5 directed by him.”.

6 (b) The section heading of section 4554 of title 39,
7 United States Code, is amended to read—

8 **“§ 4554. Books, films, and other materials; preferred**
9 **rates”.**

10 (c) The table of contents of chapter 67 of title 39,
11 United States Code, is amended by striking out—

“4554. Postage rates on books and films.”

12 and inserting in lieu thereof—

“4554. Books, films, and other materials; preferred rates.”.

13 KEYS AND OTHER SMALL ARTICLES

14 SEC. 109. Subsection (b) of section 4651 of title 39,
15 United States Code, is amended by striking out “6 cents for
16 each two ounces or fraction thereof” and inserting in lieu
17 thereof “14 cents for the first two ounces or fraction thereof,
18 and 7 cents for each additional two ounces or fraction
19 thereof,”.

20 SPECIAL HANDLING SERVICE

21 SEC. 110. Section 6008 of title 39, United States Code,
22 is amended to read as follows:

1 **“§ 6008. Special handling**

2 “Upon payment of a special handling fee, third-class
3 mail and fourth-class mail are entitled to the most expeditious
4 handling and transportation practicable, but such mail is not
5 required to receive the same handling and transportation as
6 airmail.”.

7 SEPARATION BY MAILER OF SECOND-CLASS MAIL

8 SEC. 111. Section 4363 of title 39, United States Code,
9 is amended to read as follows:

10 **“§ 4363. Separation by mailer of second-class mail**

11 “Publishers and news agents shall mail second-class mat-
12 ter in the manner directed by the Postmaster General.”.

13 PRINTING ON SECOND-CLASS COVERS

14 SEC. 112. Section 4365 of title 39, United States Code,
15 is amended by adding a new subsection to read as follows:

16 “(d) In addition to other matter authorized by this
17 section to be contained, enclosed, or inserted in second-class
18 mail, there may be included, in accordance with uniform
19 regulations which the Postmaster General shall prescribe, on
20 the envelopes, wrappers, and other covers in which copies of
21 publications are mailed, messages and notices of a civic or
22 public-service nature, if no charge is made for the inclusion of

1 such messages and notices on such envelopes, wrappers, and
2 covers.”.

3 ADDITIONAL ENTRY POINTS

4 SEC. 113. Section 4358 of title 39, United States Code,
5 is amended by adding at the end thereof a new subsection to
6 read as follows:

7 “(k) The rates of postage prescribed by subsections (a)
8 and (b) of this section shall apply only to mailings within
9 the county in which the publications have original entry.”.

10 MAIL MATTER FOR BLIND AND OTHER HANDICAPPED 11 PERSONS

12 SEC. 114. (a) Chapter 69 of title 39, United States
13 Code, is amended by striking out sections 4653 and 4654
14 thereof and inserting in lieu thereof the following:

15 **“§ 4653. Matter for blind and other handicapped persons**

16 “(a) The matter described in subsection (b) (other
17 than matter mailed under section 4654 of this title) may
18 be mailed free of postage, if—

19 “(1) the matter is for the use of the blind or other
20 persons who cannot use or read conventionally printed
21 material because of a physical impairment;

22 “(2) no charge, or rental, subscription, or other
23 fee, is required for such matter or a charge, or rental,
24 subscription, or other fee is required for such matter
25 not in excess of the cost thereof;

1 “(3) the matter may be opened by the Postmaster
2 General for inspection;

3 “(4) the matter contains no advertising; and

4 “(5) the matter is mailed subject to size and weight
5 limitations prescribed by the Postmaster General.

6 “(b) The free mailing privilege provided by subsection
7 (a) is extended to—

8 “(1) reading matter and musical scores;

9 “(2) sound reproductions;

10 “(3) paper, records, tapes, and other material for
11 the production of reading matter, musical scores, or
12 sound reproductions;

13 “(4) reproducers or parts thereof, for sound repro-
14 ductions; and

15 “(5) Braille writers, typewriters, educational or
16 other materials or devices, or parts thereof, used for writ-
17 ing by, or specifically designed or adapted for use of, a
18 blind person or a person having a physical impairment
19 as described in subsection (a) (1) of this section.

20 **“§ 4654. Unsealed letters sent by blind or physically hand-
21 icapped persons**

22 “Unsealed letters sent by a blind person or a person
23 having a physical impairment, as described in section
24 4653 (a) (1) of this title, in raised characters or sightsaving

1 type, or in the form of sound recordings, may be mailed free
2 of postage.

3 **“§ 4655. Markings**

4 “All matter relating to blind or other handicapped per-
5 sons mailed under section 4653, or section 4654, of this title,
6 shall bear the words ‘Free Matter for the Blind or Handi-
7 capped’, or words to that effect specified by the Postmaster
8 General, in the upper right-hand corner of the address area.”.

9 (b) The table of contents of chapter 69 of title 39,
10 United States Code, is amended by striking out—

“4653. Publications for the blind.

“4654. Reproducers and sound reproduction records for the blind.”

11 and inserting in lieu thereof—

“4653. Matter for blind and other handicapped persons.

“4654. Unsealed letters sent by blind or physically handicapped persons.

“4655. Markings.”.

12 (c) Section 4451 (d) of title 39, United States Code, is
13 repealed.

14 **ENCLOSURES MAILED WITH SECOND-CLASS PUBLICATIONS**

15 **SEC. 115.** Chapter 69 of title 39, United States Code,
16 is amended—

17 (1) by adding at the end thereof the following new
18 section:

19 **“§ 4656. Enclosures mailed with second-class publications**

20 “Bills or receipts mailed with publications entered as
21 second-class mail, either loose or bound in the publications,
22 and advertising supplements mailed with such publications,

1 shall be charged postage at first, third, or fourth-class rates,
2 as appropriate, had such matter been mailed other than with
3 the publications.”; and

4 (2) by adding to the table of contents the following:
“4656. Enclosures mailed with second-class publications.”.

5 MAILING PRIVILEGE OF MEMBERS OF ARMED FORCES

6 SEC. 116. (a) Chapter 57 of title 39, United States
7 Code, is amended by adding at the end thereof the following
8 new section:

9 **“§ 4170. Mailing privilege of members of United States**
10 **Armed Forces and of friendly foreign nations**
11 **in the Canal Zone**

12 “(a) For the purposes of sections 4169 (a), 4303 (d)
13 (5), and 4560 of this title, each post office in the Canal
14 Zone postal service, to the extent that it provides mail service
15 for members of the United States Armed Forces and of
16 friendly foreign nations, shall be considered to be an Armed
17 Forces post office established under section 705 (d) of this
18 title.

19 “(b) The Department of Defense shall reimburse the
20 postal service of the Canal Zone, out of any appropriations
21 or funds available to the Department of Defense, as a neces-
22 sary expense of the appropriations or funds and of the
23 activities concerned, the equivalent amount of postage due,
24 and sums equal to the expenses incurred by, the postal service

1 of the Canal Zone, as determined by the Governor of the
2 Canal Zone, for matter sent in the mails, and in providing
3 air transportation of mail, under such sections.”.

4 (b) The table of contents of chapter 57 of title 39,
5 United States Code, is amended by adding—

“4170. Mailing privilege of members of United States Armed Forces and
of friendly foreign nations in the Canal Zone.”

6 immediately below—

“4169. Mailing privilege of members of United States Armed Forces and
of friendly foreign nations.”.

7 SEC. 117. (a) Chapter 67 of title 39, United States
8 Code, is amended by adding at the end thereof the following
9 new section:

10 **“§ 4560. Air transportation of parcels mailed at or ad-**
11 **ressed to Armed Forces post offices**

12 “Any parcel, other than a parcel mailed airmail or as
13 air parcel post, not exceeding thirty pounds in weight and
14 sixty inches in length and girth combined, which is mailed
15 at or addressed to any Armed Forces post office established
16 under section 705 (d) of this title shall be transported by
17 air on a space-available basis, on scheduled United States air
18 carriers at rates fixed and determined by the Civil Aeronau-
19 tics Board in accordance with section 406 of the Federal
20 Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in
21 addition to the regular surface rate of postage, of a special fee
22 to be prescribed by the Postmaster General for such trans-

1 portation by air. Whenever adequate service by scheduled
 2 United States air carriers is not available to provide trans-
 3 portation of mail matter by air in accordance with the fore-
 4 going provisions of this section, the transportation of such
 5 mail matter may be authorized by aircraft other than sched-
 6 uled United States air carriers.”.

7 (b) The table of contents of such chapter 67 is amended
 8 by inserting at the end thereof—

“4560. Air transportation of parcels mailed at or addressed to Armed
 Forces post offices.”.

9 SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF
 10 ACCOUNT

11 SEC. 118. (a) Section 4001 of title 39, United States
 12 Code, relating to nonmailable matter, is amended by adding
 13 at the end thereof the following new subsection:

14 “(c) Matter otherwise legally acceptable in the mails
 15 which—

16 “(1) is in the form of, and reasonably could be in-
 17 terpreted or construed as, a bill, invoice, or statement
 18 of account due; but

19 “(2) constitutes, in fact, a solicitation for the order
 20 by the addressee of goods or services, or both,
 21 is nonmailable matter, shall not be carried or delivered by
 22 mail, and shall be disposed of as the Postmaster General
 23 directs, unless such matter bears on its face, in conspicuous

1 and legible type in contrast by typography, layout, or color
2 with other printing on its face, in accordance with regula-
3 tions which the Postmaster General shall prescribe—

4 “(A) the following notice: ‘This is a solicitation
5 for the order of goods and/or services and not a bill,
6 invoice, or statement of account due. You are not under
7 obligation to make any payments on account of this offer
8 unless you accept this offer.’; or

9 “(B) in lieu thereof, a notice to the same effect in
10 words which the Postmaster General may prescribe.”.

11 (b) The amendment made by this section shall become
12 effective with respect to matter mailed on or after the nine-
13 tieth day following the effective date of this section.

14 EFFECTIVE DATES

15 SEC. 119. (a) The first section, sections 101, 102, 105,
16 107, 108, 109, 110, 114, 116, 117, 118, and this section of
17 this title shall become effective as of the beginning of the first
18 Sunday which occurs after the thirtieth day following the date
19 of enactment of this Act.

20 (b) Sections 103, 104, 106, 111, 112, 113, and 115
21 of this title shall become effective January 7, 1968.

22 SEC. 120. Subsection (a) of section 4106 of title 39,
23 United States Code, is amended to read as follows:

24 “(a) The Postmaster General shall notify the sender or
25 addressee upon request by the sender or addressee, when mail

1 is undelivered as addressed, of the reason for the nondelivery,
2 and in the case of the notice to the sender, the new address
3 of the addressee if known. The Postmaster General shall
4 prescribe a uniform charge to be collected for the service
5 performed pursuant to this subsection.”

6 TITLE II—FEDERAL SALARY INCREASES

7 SHORT TITLE

8 SEC. 201. This title may be cited as the “Federal Salary
9 Act of 1967”.

10 EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

11 SEC. 202. (a) The General Schedule contained in sec-
12 tion 5332 (a) of title 5, United States Code, is amended to
13 read as follows:

“GENERAL SCHEDULE										
“Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	.....
GS-17.....	23,788	24,581	25,374	26,167	26,960	.....	.....	.....	.....	.....
GS-18.....	27,055	.....	.....	.....	.....	.....	.....	.....	.....	”.

14 (b) Except as provided in section 5303 of title 5,
15 United States Code, the rates of basic pay of officers and
16 employees to whom the General Schedule set forth in the
17 amendment made by subsection (a) of this section applies

1 shall be initially adjusted as of the effective date of this
2 section, as follows:

3 (1) If the officer or employee is receiving basic
4 pay immediately prior to the effective date of this sec-
5 tion at one of the rates of a grade in the General Sched-
6 ule, he shall receive a rate of basic pay at the corre-
7 sponding rate in effect on and after such date.

8 (2) If the officer or employee is receiving basic pay
9 immediately prior to the effective date of this section at a
10 rate between two rates of a grade in the General Sched-
11 ule, he shall receive a rate of basic pay at the higher
12 of the two corresponding rates in effect on and after
13 such date.

14 (3) If the officer or employee is receiving basic
15 pay immediately prior to the effective date of this sec-
16 tion at a rate in excess of the maximum rate for his
17 grade, he shall receive (A) the maximum rate for his
18 grade in the new schedule, or (B) his existing rate
19 of basic pay if such existing rate is higher.

20 (4) If the officer or employee, immediately prior
21 to the effective date of this section, is receiving, pursuant
22 to section 2 (b) (4) of the Federal Employees Salary
23 Increase Act of 1955, an existing aggregate rate of pay
24 determined under section 208 (b) of the Act of Septem-
25 ber 1, 1954 (68 Stat. 1111), plus subsequent increases

1 authorized by law, he shall receive an aggregate rate of
2 pay equal to the sum of his existing aggregate rate of
3 pay, on the day preceding the effective date of this sec-
4 tion, plus the amount of increase made by this section in
5 the maximum rate of his grade, until (i) he leaves his
6 position, or (ii) he is entitled to receive aggregate pay
7 at a higher rate by reason of the operation of this Act or
8 any other provision of law; but, when such position be-
9 comes vacant, the aggregate rate of pay of any subse-
10 quent appointee thereto shall be fixed in accordance with
11 applicable provisions of law. Subject to clauses (i) and
12 (ii) of the immediately preceding sentence of this sub-
13 paragraph, the amount of the increase provided by this
14 section shall be held and considered for the purposes of
15 section 208 (b) of the Act of September 1, 1954, to
16 constitute a part of the existing rate of pay of the
17 employee.

18 (5) If the officer or employee, at any time during
19 the period beginning on the effective date of this section
20 and ending on the date of enactment of this title, was
21 promoted from one grade under the General Schedule
22 contained in section 5332 (a) of title 5, United States
23 Code, to another such grade at a rate which is above the
24 minimum rate thereof, his rate of basic pay shall be

1 adjusted retroactively from the effective date of this
2 section to the date on which he was so promoted, on the
3 basis of the rate which he was receiving during the
4 period from such effective date to the date of such
5 promotion and, from the date of such promotion, on the
6 basis of the rate for that step of the appropriate grade
7 of the General Schedule contained in the amendment
8 made by subsection (a) of this section which corre-
9 sponds numerically to the step of the grade of the Gen-
10 eral Schedule to which such officer or employee was
11 promoted as in effect (without regard to this title) at
12 the time of such promotion.

13 (6) If the officer or employee, at any time during the
14 period beginning on the effective date of this section and
15 ending on the date of enactment of this title, became sub-
16 ject to the General Schedule and his rate of basic pay
17 was set above the minimum rate of the grade on the
18 basis of a previously earned rate above such minimum
19 rate, his rate of basic pay shall be adjusted retroactively
20 to the date on which he became subject to the General
21 Schedule on the basis of the rate of the appropriate
22 grade of the General Schedule contained in this section
23 which corresponds numerically to the rate of the grade
24 at which the pay of such officer or employee was set at
25 the time he became subject to the General Schedule.

1 **LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS**

2 **SEC. 203.** Section 3301 of title 39, United States Code,
3 is amended by striking out “salary levels 19 and 20” and
4 inserting in lieu thereof “salary levels 20 and 21”.

5 **CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE**

6 **SEC. 204.** (a) That part of chapter 45 of title 39, United
7 States Code, under the heading “POSITIONS” is amended
8 by striking out section 3512 and inserting in lieu thereof the
9 following new sections:

10 **“§ 3512. Positions in salary level 1**

11 **“Cleaner. (KP-51)**

12 **“(1) Basic function.—**Performs a variety of light clean-
13 ing and housekeeping tasks in connection with the custodial
14 maintenance of a postal installation.

15 **“(2) Duties and responsibilities.—**

16 **“(A) Sweeps, mops, dusts, washes, and otherwise**
17 performs light cleaning and housekeeping tasks to main-
18 tain offices, washrooms, lobbies, corridors, stairways, and
19 other areas of the building in neat and orderly condition.

20 **“(B) Performs such duties as dusting, waxing, and**
21 polishing office furniture, sweeping and mopping floors,
22 vacuuming rugs, emptying wastebaskets and trash,
23 washing interior window and partition glass and fixtures
24 which can be reached without use of ladders or scaf-
25 folding.

1 “(3) **Organizational relationships.**—Reports to a fore-
2 man or other designated supervisor.

3 “§ 3512A. **Positions in salary level 2**

4 “**Custodian. (KP-1)**

5 “(1) **Basic function.**—Performs manual laboring du-
6 ties in connection with custody of an office or building.

7 “(2) **Duties and responsibilities.**—

8 “(A) Performs any combination of the following
9 duties:

10 “1. Moves furniture and equipment.

11 “2. Uncrates and assembles furniture and fix-
12 tures, using bolts and screws for assembly.

13 “3. Loads and unloads supplies and equipment.

14 “4. Removes trash from work areas, lobbies,
15 and washrooms.

16 “5. Tends to lawns, shrubbery, and premises of
17 the post office and cleans ice and snow from the
18 sidewalks and driveways.

19 “6. Stacks supplies in storage rooms and on
20 shelves, and completes forms or records as required.

21 “(B) May perform cleaning duties as assigned.

22 “(3) **Organizational relationships.**—Reports to a fore-
23 man or other designated supervisor.”.

24 (b) Each salary level number in the headings of sec-
25 tions 3513 to 3531, inclusive, of title 39, United States Code,

1 and each other numerical reference to such salary level num-
 2 ber in any other provision of such title (including the table of
 3 contents of chapter 45) which is not otherwise increased by
 4 this title, is increased by 1.

5 (c) Each employee in the postal field service on the
 6 date of enactment of this title, whose position is placed in
 7 salary level 2 of the Postal Field Service Schedule by reason
 8 of the enactment of this section and section 205 (e) (1) of
 9 this title, shall remain in salary level 2 of such schedule so
 10 long as he remains in such position or occupies, without break
 11 in service of more than thirty days, a position of a comparable
 12 level of duties, responsibilities, and work requirements in such
 13 salary level. When the employee leaves any such position, the
 14 position shall be appropriately ranked in accordance with
 15 chapter 45 of title 39, United States Code.

16 (d) The table of contents of chapter 45 of title 39,
 17 United States Code, is amended by inserting—

“3512A. Positions in salary level 2.”

18 immediately below—

“3512. Positions in salary level 1.”

19 POSTAL FIELD SERVICE EMPLOYEES

20 SEC. 205. (a) Section 3542 (a) of title 39, United States
 21 Code, is amended to read as follows:

22 “(a) There are established basic compensation schedules
 23 for positions in the postal field service which shall be known

1 as the Postal Field Service Schedules and for which the sym-
 2 bol shall be 'PFS'. Except as provided in sections 3543 and
 3 3544 of this title, basic compensation shall be paid to all
 4 employees in accordance with such schedules.

“(To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below)

“POSTAL FIELD SERVICE SCHEDULE I

“PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2.....	4,450	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3.....	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4.....	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5.....	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6.....	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7.....	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8.....	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	-----
9.....	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	-----	-----
10.....	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	-----	-----
11.....	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546	-----	-----
12.....	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	-----	-----
13.....	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	-----	-----
14.....	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	-----	-----
15.....	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	-----	-----
16.....	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	-----	-----
17.....	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	-----	-----
18.....	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	-----	-----
19.....	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	-----	-----
20.....	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	-----	-----	-----	-----
21.....	24,126	24,932	25,738	26,544	26,960	-----	-----	-----	-----	-----	-----	-----

“POSTAL FIELD SERVICE SCHEDULE II

“(To be effective on the first day of the first pay period beginning on or after July 1, 1968)

“PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2.....	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3.....	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4.....	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5.....	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6.....	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7.....	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8.....	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	-----
9.....	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	-----	-----
10.....	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	-----	-----
11.....	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	-----	-----
12.....	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	-----	-----
13.....	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	-----	-----
14.....	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	-----	-----
15.....	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	-----	-----
16.....	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	-----	-----
17.....	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	-----	-----
18.....	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	-----	-----
19.....	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	-----	-----
20.....	22,848	23,610	24,372	25,134	25,896	26,658	27,420	27,800	-----	-----	-----	-----
21.....	25,333	26,179	27,025	27,871	27,900	-----	-----	-----	-----	-----	-----	-----

5 (b) Section 3543 (a) of title 39, United States Code,
 6 is amended to read as follows:

7 “(a) There are established basic compensation sched-
 8 ules which shall be known as the Rural Carrier Schedules
 9 and for which the symbol shall be ‘RCS’. Compensation

1 shall be paid to rural carriers in accordance with such
2 schedules.

"RURAL CARRIER SCHEDULE I

"[to be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25".

3 (c) Section 3544 of title 39, United States Code, is
4 amended to read as follows:

5 "§ 3544. Compensation of postmasters at fourth-class offices

6 "(a) The Postmaster General shall—

7 "(1) rank each position of postmaster a post
8 office of the fourth class in salary level 6 of the Postal
9 Field Service Schedule; and

10 "(2) establish, and adjust from time to time, the
11 annual rate of basic compensation, for each such position
12 of postmaster so ranked, in an amount which bears the
13 same ratio to the annual rate of basic compensation for
14 full-time service in a position (other than postmaster at
15 a post office of the fourth class) in the same step of

1 salary level 6 of such schedule, as the total number of
2 hours of service which the Postmaster General deter-
3 mines necessary to be performed by such postmaster to
4 operate the post office, in the light of the postal needs of
5 the patrons of the office, bears to the total number of
6 hours of such full-time service.

7 Actions and determinations by the Postmaster General under
8 this subsection shall be final and conclusive until changed by
9 him.

10 “(b) A person who performs the duties of postmaster
11 at a post office of the fourth class where there is a vacancy,
12 or during the absence of the postmaster on sick or annual
13 leave or leave without pay, shall be compensated at the rate
14 of basic compensation for step 1 of salary level 6 of the
15 Postal Field Service Schedule, determined under subsection
16 (a) of this section.

17 “(c) When required by the Postmaster General, a
18 postmaster at a fourth-class office shall, and any other post-
19 master in PFS level 6 when permitted by the Postmaster
20 General may, furnish quarters, fixtures, and equipment for
21 an office on an allowance basis. The allowance for this pur-
22 pose shall be an amount equal to 15 per centum of the basic
23 compensation for step 1 of salary level 6 of the Postal Field
24 Service Schedule.”.

25 (d) Each postmaster at a post office of the fourth class

1 on the effective date of Postal Field Service Schedule I shall
2 be placed in salary level 6 of the Postal Field Service Sched-
3 ule at the lowest step which provides a rate, determined
4 under section 3544 (a) of title 39, United States Code, which
5 is at least equal to his rate of basic compensation in effect
6 immediately prior to such effective date plus 6 per centum
7 thereof. If there is no such step in salary level 6, he is en-
8 titled to his rate of basic compensation in effect immediately
9 prior to such effective date plus 6 per centum thereof. For the
10 purposes of this subsection, basic compensation in effect im-
11 mediately prior to the effective date of Postal Field Service
12 Schedule I shall be determined after giving effect to any
13 change in salary step or revenue units category which would
14 have occurred on the effective date of this section without
15 regard to the enactment of this title.

16 (e) The basic compensation of each employee subject
17 to the Postal Field Service Schedule or the Rural Carrier
18 Schedule immediately prior to the effective date of Postal
19 Field Service Schedule I shall be determined as follows:

20 (1) Each employee subject to the Postal Field
21 Service Schedule shall be assigned to the same numerical
22 step for his position, placed in the next higher salary
23 level, which he had attained immediately prior to such
24 effective date.

25 (2) Each employee subject to the Rural Carrier

1 Schedule shall be assigned to the same numerical step
2 for his position which he had attained immediately prior
3 to such effective date.

4 (3) If changes in levels or steps would otherwise
5 occur on such effective date without regard to enactment
6 of this Act, such changes shall be deemed to have oc-
7 curred prior to conversion.

8 (4) If the existing basic compensation is greater
9 than the rate to which the employee is converted under
10 paragraph (1) or (2) of this subsection, the employee
11 shall be placed in the lowest step which exceeds his basic
12 compensation. If the existing basic compensation exceeds
13 the maximum step of his position, his existing basic com-
14 pensation shall be established as his basic compensation.

15 (f) The advancement of any employee to a higher sal-
16 ary level of the Postal Field Service Schedule by reason of
17 the enactment of this section shall not be deemed to be an
18 equivalent increase within the meaning of section 3552 (a)
19 of title 39, United States Code.

20 (g) The basic compensation of each employee subject
21 to the Postal Field Service Schedule or the Rural Carrier
22 Schedule immediately prior to the effective date of Postal
23 Field Service Schedule II shall be determined as follows:

24 (1) Each employee shall be assigned to the same
25 numerical step for his position which he had attained im-

1 immediately prior to such effective date. If changes in lev-
 2 els or steps would otherwise occur on such effective date
 3 without regard to enactment of this title, such changes
 4 shall be deemed to have occurred prior to conversion.

5 (2) If the existing basic compensation is greater
 6 than the rate to which the employee is converted under
 7 paragraph (1) of this subsection, the employee shall be
 8 placed in the lowest step which exceeds his basic com-
 9 pensation. If the existing basic compensation exceeds the
 10 maximum step of his position, his existing basic compen-
 11 sation shall be established as his basic compensation.

12 (h) Each employee whose position, by reason of the
 13 enactment of this section, is placed in a level of the Postal
 14 Field Service Schedule shall be entitled, for purposes of
 15 section 3560 of title 39, United States Code, to credit for
 16 time served in the postal field service prior to the effective
 17 date of this section.

18 (i) The table of contents of chapter 45 of title 39,
 19 United States Code, is amended by striking out

“3544. Fourth Class Office Schedule.”

20 and inserting in lieu thereof

“3544. Compensation of postmasters at fourth-class offices.”.

21 CONFORMING AMENDMENTS

22 SEC. 206. (a) Section 3560 (a) of title 39, United States
 23 Code, is amended by striking out “(3) revenue unit cate-

1 gory, with respect to the Fourth Class Office Schedule.” and
2 inserting in lieu thereof “ (3) minimum hours of service with
3 respect to postmasters in fourth-class post offices.”.

4 (b) Section 3560 (f) of title 39, United States Code,
5 is amended by striking out “ (1) reductions in class or reve-
6 nue unit category of any post office, or” and inserting in lieu
7 thereof “ (1) reductions in class or revenue units of any post
8 office or in the minimum hours of service for a fourth-class
9 post office, or”.

10 (c) Subsections (b) and (c) of section 3573 of title
11 39, United States Code, are amended by striking out “level
12 PFS-10” and “level PFS-11”, wherever appearing therein,
13 and inserting in lieu thereof “level PFS-11” and “level
14 PFS-12”, respectively.

15 (d) Subsection (a) of section 3575 of title 39, United
16 States Code, is amended by striking out “level PFS-15” and
17 inserting in lieu thereof “level PFS-16”.

18 (e) Any reference to a level of the Postal Field Service
19 Schedule in any order, rule, regulation, or statute (other than
20 title 39, United States Code) which is in effect on the effec-
21 tive date of this section shall be deemed to refer to the next
22 higher level of the Postal Field Service Schedule.

23 SPECIAL SALARY RATE RANGES

24 SEC. 207. (a) Section 5303 (a) of title 5, United States
25 Code, is amended by striking out “seventh pay rate” and
26 inserting in lieu thereof “maximum pay rate”.

1 (b) Section 5303 (d) of title 5, United States Code,
2 is amended to read as follows:

3 “(d) The rate of basic pay established under this sec-
4 tion and received by an individual immediately before a
5 statutory increase, which becomes effective prior to, on, or
6 after the date of enactment of the statute, in the pay sched-
7 ule applicable to such individual of any pay system specified
8 in subsection (a) of this section, shall be initially adjusted,
9 effective on the effective date of the statutory increase,
10 under conversion rules prescribed by the President or by
11 such agency as the President may designate.”.

12 (c) Section 5303 (a) of title 5, United States Code,
13 is amended by inserting immediately before the semicolon
14 at the end of subparagraph (2) thereof “, except positions
15 in the postal field service which are unique to the service”.

16 (d) That part of the text of chapter 45 of title 39,
17 United States Code, under the heading “SALARY STEPS AND
18 PROMOTIONS” is amended by adding at the end thereof the
19 following new section:

20 **“§ 3561. Higher minimum rates; Presidential authority**

21 “(a) When the President finds that the pay rates in
22 private enterprise for one or more occupations in one or more
23 areas or locations are so substantially above the rates of
24 basic compensation of those positions in the postal field
25 service which are unique to that service as to handicap

1 significantly the Government's recruitment or retention of
2 well-qualified employees for such positions, he may establish
3 for such positions in the areas or locations higher minimum
4 rates of basic compensation for one or more levels and may
5 make corresponding increases in other step rates of the pay
6 range for each such level. A minimum rate so established may
7 not exceed the maximum rate prescribed by statute for the
8 level. Increases above the maximum rate may be made
9 only to the extent that the minimum rate is increased to an
10 amount greater than the fourth step of the level. For the
11 purposes of this section, the word 'level' includes occupa-
12 tional groups and subdivisions of levels and occupational
13 groups.

14 “(b) Within the limitations of subsection (a) of this
15 section, rates of basic compensation established under that
16 subsection may be revised from time to time by the President.

17 “(c) An increase in rate of basic compensation estab-
18 lished under this section is not an equivalent increase in
19 compensation within the meaning of section 3552 of this
20 title.

21 “(d) The rate of basic compensation established under
22 this section and received by an individual immediately be-
23 fore a statutory increase, which becomes effective prior to,
24 on, or after the date of enactment of the statute, in the com-
25 pensation of employees in the postal field service, shall be

1 initially adjusted, effective on the effective date of the
2 statutory increase, under conversion rules prescribed by the
3 President.

4 “(e) All actions, revisions, and adjustments under this
5 section have the force and effect of statute.

6 “(f) The President may authorize the Postmaster Gen-
7 eral to exercise the authority conferred on the President
8 by this section.”.

9 (e) The table of contents of chapter 45 of title 39,
10 United States Code, is amended by inserting—

“3561. Higher minimum rates; Presidential authority.”

11 immediately below—

“3560. Salary protection.”.

12 EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND
13 SURGERY OF THE VETERANS' ADMINISTRATION

14 SEC. 208. Section 4107 of title 38, United States Code,
15 relating to grades and pay scales for certain positions within
16 the Department of Medicine and Surgery of the Veterans'
17 Administration, is amended to read as follows:

18 “§ 4107. Grades and pay scales

19 “(a) The per annum full-pay scale or ranges for posi-
20 tions provided in section 4103 of this title, other than Chief
21 Medical Director, Deputy Chief Medical Director, and Asso-
22 ciate Deputy Chief Medical Director, shall be as follows:

1 “Section 4103 Schedule

2 “Assistant Chief Medical Director, \$27,055.

3 “Medical Director, \$23,788 minimum to \$26,960 maxi-
4 mum.

5 “Director of Nursing Service, \$18,404 minimum to
6 \$23,921 maximum.

7 “Director of Chaplain Service, \$18,404 minimum to
8 \$23,921 maximum.

9 “Chief Pharmacist, \$18,404 minimum to \$23,921 maxi-
10 mum.

11 “Chief Dietitian, \$18,404 minimum to \$23,921 maxi-
12 mum.

13 “(b) (1) The grades and per annum full-pay ranges for
14 positions provided in paragraph (1) of section 4104 of this
15 title shall be as follows:

16 “Physician and Dentist Schedule

17 “Director grade, \$20,982 minimum to \$26,574 maxi-
18 mum.

19 “Executive grade, \$19,576 minimum to \$25,444 maxi-
20 mum.

21 “Chief grade, \$18,404 minimum to \$23,921 maximum.

22 “Senior grade, \$15,841 minimum to \$20,593 maximum.

23 “Intermediate grade, \$13,507 minimum to \$17,557
24 maximum.

25 “Full grade, \$11,461 minimum to \$14,899 maximum.

1 "Associate grade, \$9,657 minimum to \$12,555 maxi-
2 mum.

3 "Nurse Schedule

4 "Assistant Director grade, \$15,841 minimum to \$20,593
5 maximum.

6 "Chief grade, \$13,507 minimum to \$17,557 maximum.

7 "Senior grade, \$11,461 minimum to \$14,899 maximum.

8 "Intermediate grade, \$9,657 minimum to \$12,555 maxi-
9 mum.

10 "Full grade, \$8,054 minimum to \$10,475 maximum.

11 "Associate grade, \$7,033 minimum to \$9,139 maximum.

12 "Junior grade, \$6,137 minimum to \$7,982 maximum.

13 "(2) No person may hold the director grade unless he
14 is serving as a director of a hospital, domiciliary, center, or
15 outpatient clinic (independent). No person may hold the
16 executive grade unless he holds the position of chief of staff
17 at a hospital, center, or outpatient clinic (independent), or
18 comparable position.

19 "(c) Notwithstanding any other provision of law, the
20 per annum salary rate for each individual serving as a di-
21 rector of a hospital, domiciliary, or center who is not a physi-
22 cian shall not be less than the salary rate which he would
23 receive under this section if his service as a director of a
24 hospital, domiciliary, or center had been service as a physi-
25 cian in the director grade. The position of the director of a

1 hospital, domiciliary, or center shall not be subject to
2 chapter 51 and subchapter III of chapter 53 of title 5,
3 United States Code.”.

4 FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND
5 EMPLOYEES

6 SEC. 209. (a) The fourth sentence of section 412 of the
7 Foreign Service Act of 1946, as amended (22 U.S.C. 867) ,
8 is amended to read as follows: “The per annum salaries of
9 Foreign Service officers within each of the other classes shall
10 be as follows:

“Class 1.....	\$24,944	\$25,776	\$27,055				
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084”.

11 (b) The second sentence of subsection (a) of section
12 415 of such Act (22 U.S.C. 870 (a)) is amended to read
13 as follows: “The per annum salaries of such staff officers and
14 employees within each class shall be as follows:

“Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489”.

15 (c) Foreign Service officers, Reserve officers, and For-
16 eign Service staff officers and employees who are entitled to
17 receive basic compensation immediately prior to the effective
18 date of this section at one of the rates provided by section

1 412 or 415 of the Foreign Service Act of 1946 shall receive
2 basic compensation, on and after such effective date, at the
3 rate of their class determined to be appropriate by the Secre-
4 tary of State.

5 AGRICULTURAL STABILIZATION AND CONSERVATION

6 COUNTY COMMITTEE EMPLOYEES

7 SEC. 210. The rates of pay of persons employed by the
8 county committees established pursuant to section 8 (b) of
9 the Soil Conservation and Domestic Allotment Act (16
10 U.S.C. 590h (b)) shall be increased by amounts equal, as
11 nearly as may be practicable, to the increases provided by
12 section 202 (a) of this title for corresponding rates of basic
13 pay.

14 SALARY RATES FIXED BY ADMINISTRATIVE ACTION

15 SEC. 211. (a) The rates of basic pay of assistant United
16 States attorneys whose annual salaries are fixed pursuant
17 to section 548 of title 28, United States Code, shall be
18 increased, effective on the effective date of section 202 of
19 this title, by amounts equal, as nearly as may be practicable,
20 to the increases provided by section 202 (a) of this title for
21 corresponding rates of basic pay.

22 (b) Notwithstanding section 3679 of the Revised
23 Statutes, as amended (31 U.S.C. 665), the rates of pay
24 of officers and employees of the Federal Government and

1 of the municipal government of the District of Columbia
2 whose rates of pay are fixed by administrative action pur-
3 suant to law and are not otherwise increased by this title
4 are hereby authorized to be increased, effective on the ef-
5 fective date of section 202 of this title, by amounts not to
6 exceed the increases provided by this title for correspond-
7 ing rates of pay in the appropriate schedule or scale of pay.

8 (c) Nothing contained in this section shall be held or
9 considered to authorize any increase in the rates of pay of
10 officers and employees whose rates of pay are fixed and
11 adjusted from time to time as nearly as is consistent with
12 the public interest in accordance with prevailing rates or
13 practices.

14 (d) Nothing contained in this section shall affect the
15 authority contained in any law pursuant to which rates of
16 pay may be fixed by administrative action.

17 IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN

18 1968 AND 1969

19 SEC. 212. In order to complete the implementation of
20 the policy of the Congress set forth in paragraph (2) of
21 section 5301 of title 5, United States Code, the President,
22 after seeking the views of such employee organizations as he
23 considers appropriate and in such manner as he may provide,
24 shall—

25 (1) effective on the first day of the first pay period

beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, 216, and 222—

(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

(B) by 3 per centum,
whichever is greater; and

(2) effective on the first day of the first pay period beginning on or after April 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the

1 1968 annual survey conducted by the Bureau of Labor
2 Statistics in accordance with the provisions of section
3 5302 of title 5, United States Code.

4 Adjustments made by the President under this section shall
5 have the force and effect of statute. The rates of pay of
6 personnel subject to sections 210, 213 (except subsection
7 (d)), and 214 of this title shall be adjusted, by amounts
8 which are equal, insofar as practicable, to the amounts of
9 the adjustments made by the President under subparagraphs
10 (1) and (2) of this section, by the following authorities—

11 (i) the President pro tempore of the Senate, with
12 respect to the United States Senate;

13 (ii) the Speaker of the House of Representatives,
14 with respect to the United States House of Representa-
15 tives;

16 (iii) the Architect of the Capitol, with respect to
17 the Office of the Architect of the Capitol;

18 (iv) the Director of the Administrative Office of the
19 United States Courts, with respect to the judicial branch
20 of the Government; and

21 (v) the Secretary of Agriculture, with respect to
22 persons employed by the county committees established
23 pursuant to section 8 (b) of the Soil Conservation and
24 Domestic Allotment Act (16 U.S.C. 590h (b)).

25 Such adjustments shall be made in such manner as the appro-

1 priate authority concerned deems advisable and shall have
2 the force and effect of statute. Nothing in this section shall
3 impair any authority pursuant to which rates of pay may be
4 fixed by administrative action.

5 JUDICIAL BRANCH EMPLOYEES

6 SEC. 213. a) The rates of basic compensation of offi-
7 cers and employees in or under the judicial branch of the
8 Government whose rates of compensation are fixed by or
9 pursuant to paragraph (2) of subdivision a of section 62 of
10 the Bankruptcy Act (11 U.S.C. 102 (a) (2)), section 3656
11 of title 18, United States Code, the third sentence of section
12 603, sections 671 to 675, inclusive, or section 604 (a) (5) ,
13 of title 28, United States Code, insofar as the latter section
14 applies to graded positions, are hereby increased by amounts
15 reflecting the respective applicable increases provided by sec-
16 tion 202 (a) of this title in corresponding rates of compen-
17 sation for officers and employees subject to section 5332 of
18 title 5, United States Code. The rates of basic compensa-
19 tion of officers and employees holding ungraded positions and
20 whose salaries are fixed pursuant to such section 604 (a) (5)
21 may be increased by the amounts reflecting the respective
22 applicable increases provided by section 202 (a) of this title
23 in corresponding rates of compensation for officers and em-
24 ployees subject to section 5332 of title 5, United States Code.

1 (b) The limitations provided by applicable law on
2 the effective date of this section with respect to the aggregate
3 salaries payable to secretaries and law clerks of circuit and
4 district judges are hereby increased by amounts which re-
5 flect the respective applicable increases provided by section
6 202 (a) of this title in corresponding rates of compensation
7 for officers and employees subject to section 5332 of title 5,
8 United States Code.

9 (c) Section 753 (e) of title 28, United States Code (re-
10 lating to the compensation of court reporters for district
11 courts), is amended by striking out the existing salary limi-
12 tation contained therein and inserting a new limitation which
13 reflects the respective applicable increases provided by section
14 202 (a) of this title in corresponding rates of compensation
15 for officers and employees subject to section 5332 of title 5,
16 United States Code.

17 (d) The first paragraph of section 603 of title 28,
18 United States Code, relating to the compensation of the
19 Director and the Deputy Director of the Administrative
20 Office of the United States Courts, is amended to read as
21 follows:

22 “The salary of the Director shall be the same as the
23 salary of a United States District Judge. The salary of the
24 Deputy Director shall be in the same amount as the rate of
25 basic pay for level V of the Executive Schedule in title 5.”.

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 219 (a) of this title, the additional compensation provided by

1 this section shall be considered a part of basic pay for the
2 purposes of subchapter III of chapter 83 of title 5, United
3 States Code, relating to civil service retirement.

4 (e) The per annum rate of compensation of the Chief
5 of Staff of the Joint Committee on Internal Revenue Taxa-
6 tion shall be the same as the per annum rate of compensation
7 of the Legislative Counsel of the House of Representatives.

8 (f) The third paragraph under the heading "Office
9 of the Architect of the Capitol" and the subheading "Sal-
10 aries" in the Legislative Branch Appropriation Act, 1960
11 (73 Stat. 407), is amended by striking out "\$7,700" and
12 inserting in lieu thereof "\$8,200".

13 (g) This section shall not apply with respect to the
14 compensation of student congressional interns and the com-
15 pensation of employees whose compensation is fixed by the
16 House Wage Schedule under the House Employees Position
17 Classification Act.

18 INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V
19 OF EXECUTIVE SCHEDULE

20 SEC. 215. (a) Section 5314 of title 5, United States
21 Code, relating to the basic pay rate for level III of the
22 Executive Schedule, is amended by striking out "\$28,500"
23 and inserting in lieu thereof "\$29,500".

24 (b) Section 5315 of title 5, United States Code, relating
25 to the basic pay rate for level IV of the Executive Schedule,

1 is amended by striking out “\$27,000” and inserting in lieu
2 thereof “\$28,750”.

3 (c) Section 5316 of title 5, United States Code, relating
4 to the basic pay rate for level V of the Executive Schedule,
5 is amended by striking out “\$26,000” and inserting in lieu
6 thereof “\$28,000”.

7 COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL
8 SALARIES

9 SEC. 216. (a) ESTABLISHMENT OF COMMISSION.—

10 There is hereby established a commission to be known as the
11 Commission on Executive, Legislative, and Judicial Salaries
12 (hereinafter referred to as the “Commission”).

13 (b) MEMBERSHIP.—

14 (1) The Commission shall be composed of nine mem-
15 bers who shall be appointed from private life, as follows:

16 (A) three appointed by the President of the United
17 States, one of whom shall be designated as Chairman by
18 the President;

19 (B) two appointed by the President of the Senate;

20 (C) two appointed by the Speaker of the House of
21 Representatives; and

22 (D) two appointed by the Chief Justice of the
23 United States.

24 (2) The terms of office of persons first appointed as
25 members of the Commission shall be for the period of the

1 1969 fiscal year of the Federal Government, except that,
2 if any appointment to membership on the Commission is
3 made after the beginning and before the close of such fiscal
4 year, the term of office based on such appointment shall be
5 for the remainder of such fiscal year.

6 (3) After the close of the 1969 fiscal year of the Federal
7 Government, persons shall be appointed as members of the
8 Commission with respect to every fourth fiscal year following
9 the 1969 fiscal year. The terms of office of persons so ap-
10 pointed shall be for the period of the fiscal year with respect
11 to which the appointment is made, except that, if any ap-
12 pointment is made after the beginning and before the close
13 of any such fiscal year, the term of office based on such ap-
14 pointment shall be for the remainder of such fiscal year.

15 (4) A vacancy in the membership of the Commission
16 shall be filled in the manner in which the original appoint-
17 ment was made.

18 (5) Each member of the Commission shall be paid at
19 the rate of \$100 for each day such member is engaged upon
20 the work of the Commission and shall be allowed travel
21 expenses, including a per diem allowance, in accordance
22 with section 5703 (b) of title 5, United States Code, when
23 engaged in the performance of services for the Commission.

24 (c) PERSONNEL OF COMMISSION.—

25 (1) Without regard to the provisions of title 5, United

1 States Code, governing appointments in the competitive
2 service, and the provisions of chapter 51 and subchapter III
3 of chapter 53 of such title, relating to classification and Gen-
4 eral Schedule pay rates, and on a temporary basis for periods
5 covering all or part of any fiscal year referred to in subsec-
6 tion (b) (2) and (3) of this section—

7 (A) the Commission is authorized to appoint an
8 Executive Director and fix his basic pay at the rate pro-
9 vided for level V of the Executive Schedule by section
10 5316 of title 5, United States Code; and

11 (B) with the approval of the Commission, the
12 Executive Director is authorized to appoint and fix the
13 basic pay (at respective rates not in excess of the maxi-
14 mum rate of the General Schedule in section 5332 of
15 title 5, United States Code) of such additional person-
16 nel as may be necessary to carry out the function of the
17 Commission.

18 (2) Upon the request of the Commission, the head of
19 any department, agency, or establishment of any branch of
20 the Federal Government is authorized to detail, on a reim-
21 bursable basis, for periods covering all or part of any fiscal
22 year referred to in subsection (b) (2) and (3) of this sec-
23 tion, any of the personnel of such department, agency, or
24 establishment to assist the Commission in carrying out its
25 function.

1 (d) USE OF UNITED STATES MAILS BY COMMISSION.—

2 The Commission may use the United States mails in the same
3 manner and upon the same conditions as other departments
4 and agencies of the United States.

5 (e) ADMINISTRATIVE SUPPORT SERVICES.—The Ad-
6 ministrator of General Services shall provide administrative
7 support services for the Commission on a reimbursable basis.

8 (f) FUNCTION.—The Commission shall conduct, in each
9 of the respective fiscal years referred to in subsection (b)
10 (2) and (3) of this section, a review of the rates of pay
11 and the amounts and kinds of expenses and allowances,
12 including requirements, conditions, and other matters relat-
13 ing thereto, of—

14 (A) Senators, Members of the House of Represent-
15 atives, and the Resident Commissioner from Puerto
16 Rico;

17 (B) offices and positions in the legislative branch
18 referred to in subsections (a), (b), (c), and (d) of
19 section 203 of the Federal Legislative Salary Act of
20 1964 (78 Stat. 415; Public Law 88-426) ;

21 (C) justices, judges, and other personnel in the
22 judicial branch referred to in sections 402 (d) and 403
23 of the Federal Judicial Salary Act of 1964 (78 Stat.
24 434; Public Law 88-426) ; and

25 (D) offices and positions under the Executive

1 Schedule in subchapter II of chapter 53 of title 5, United
2 States Code.

3 Such review by the Commission shall be made for the pur-
4 pose of determining and providing—

5 (i) the appropriate pay levels and relationships
6 between and among the respective offices and positions
7 covered by such review, and

8 (ii) the appropriate pay relationships between such
9 offices and positions and the offices and positions subject
10 to the provisions of chapter 51 and subchapter III of
11 chapter 53 of title 5, United States Code, relating to
12 classification and General Schedule pay rates.

13 (g) REPORT BY COMMISSION TO THE PRESIDENT.—

14 The Commission shall submit to the President a report of the
15 results of each review conducted by the Commission of the
16 offices and positions within the purview of subparagraphs
17 (A), (B), (C), and (D) of subsection (f) of this section,
18 together with its recommendations. Each such report shall
19 be submitted on such date as the President may designate
20 but not later than January 1 next following the close of the
21 fiscal year in which the review is conducted by the Com-
22 mission.

23 (h) RECOMMENDATIONS OF THE PRESIDENT WITH
24 RESPECT TO PAY, EXPENSES, AND ALLOWANCES.—The
25 President shall include, in the budget next transmitted by

1 him to the Congress after the date of the submission of the
2 report and recommendations of the Commission under sub-
3 section (g) of this section, his recommendations with respect
4 to the exact rates of pay and the exact amounts and kinds of
5 expenses and allowances, including any specific require-
6 ments, conditions, and other matters relating thereto which
7 he deems advisable, for those offices and positions within the
8 purview of subparagraphs (A), (B), (C), and (D) of
9 subsection (f) of this section. As used in this subsection,
10 the term "budget" means the budget referred to in section
11 201 of the Budget and Accounting Act, 1921, as amended
12 (31 U.S.C. 11).

13 (i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE
14 PRESIDENT.—

15 (1) Except as provided in paragraph (2) of this sub-
16 section, all or part (as the case may be) of the recommenda-
17 tions of the President transmitted to the Congress in the
18 budget under subsection (h) of this section shall become
19 effective at the beginning of the first pay period which begins
20 after the thirtieth day following the transmittal of such rec-
21 ommendations in the budget; but only to the extent that,
22 between the date of transmittal of such recommendations in
23 the budget and the beginning of such first pay period—

24 (A) there has not been enacted into law a statute
25 which establishes rates of pay, amounts and kinds of

1 expenses and allowances, and requirements, conditions,
2 and related matters other than those proposed by all or
3 part of such recommendations,

4 (B) neither House of the Congress has enacted
5 legislation which specifically disapproves all or part of
6 such recommendations, or

7 (C) both.

8 (2) Any part of the recommendations of the President
9 may, in accordance with express provisions of such recom-
10 mendations, be made operative on a date later than the date
11 on which such recommendations otherwise are to take effect.

12 (j) EFFECT OF RECOMMENDATIONS OF THE PRESI-
13 DENT ON EXISTING LAW AND PRIOR PRESIDENTIAL
14 RECOMMENDATIONS.—The recommendations of the Presi-
15 dent transmitted to the Congress immediately following a
16 review conducted by the Commission in one of the fiscal
17 years referred to in subsection (b) (2) and (3) of this sec-
18 tion shall be held and considered to modify, supersede, or
19 render inapplicable, as the case may be, to the extent in-
20 consistent therewith—

21 (A) all provisions of law enacted prior to the effec-
22 tive date or dates of all or part (as the case may be) of
23 such recommendations (other than any provision of law
24 enacted in the period specified in paragraph (1) of sub-

1 section (i) of this section with respect to such recom-
2 mendations), and

3 (B) any prior recommendations of the President
4 which take effect under this section.

5 (k) PUBLICATION OF RECOMMENDATIONS OF THE
6 PRESIDENT.—The recommendations of the President which
7 take effect shall be printed in the Statutes at Large in the
8 same volume as public laws and shall be printed in the Fed-
9 eral Register and included in the Code of Federal Regula-
10 tions.

11 SALARY INCREASE LIMITATIONS

12 SEC. 217. Except as provided in sections 213 (d), 214,
13 215, and 222, and subject to the operation of section 216 of
14 this title, no rate of compensation shall be increased, by rea-
15 son of the enactment of this title, to an amount in excess of
16 the salary rate now or hereafter in effect for level V of the
17 Executive Schedule in section 5316 of title 5, United States
18 Code.

19 UNCONTROLLABLE OVERTIME DUTY

20 SEC. 218. Section 5545 (c) (2) of title 5, United States
21 Code, is amended by striking out “not in excess of 15 per-
22 cent” and inserting in lieu thereof “not less than 20 percent
23 or more than 30 percent”.

24 PAYMENT OF RETROACTIVE COMPENSATION

25 SEC. 219 (a) Retroactive pay, compensation, or salary
26 shall be paid by reason of this title only in the case of an

1 individual in the service of the United States (including
2 service in the Armed Forces of the United States) or the
3 municipal government of the District of Columbia on the
4 date of enactment of this title, except that such retroactive
5 pay, compensation, or salary shall be paid—

6 (1) to an officer or employee who retired, during
7 the period beginning on the first day of the first pay
8 period which began on or after October 1, 1967, and
9 ending on the date of enactment of this title, for services
10 rendered during such period, and

11 (2) in accordance with subchapter VIII of chapter
12 55 of title 5, United States Code, relating to settlement
13 of accounts, for services rendered, during the period
14 beginning on the first day of the first pay period which
15 began on or after October 1, 1967, and ending on the
16 date of enactment of this title, by an officer or employee
17 who died during such period.

18 Such retroactive pay, compensation, or salary shall not be
19 considered as basic pay for the purposes of subchapter III of
20 chapter 83 of title 5, United States Code, relating to civil
21 service retirement, or any other retirement law or retirement
22 system, in the case of any such retired or deceased officer or
23 employee.

24 (b) For the purposes of this section, service in the
25 Armed Forces of the United States, in the case of an individ-

1 ual relieved from training and service in the Armed Forces
2 of the United States or discharged from hospitalization fol-
3 lowing such training and service, shall include the period
4 provided by law for the mandatory restoration of such in-
5 dividual to a position in or under the Federal Government or
6 the municipal government of the District of Columbia.

7 RETIREMENT COVERAGE FOR EMPLOYEES ON LEAVE
8 WITHOUT PAY SERVING WITH LABOR ORGANIZATIONS

9 SEC. 220. (a) The first sentence of section 8332 (k) (1)
10 of title 5, United States Code, is amended by inserting "or
11 of a 'labor organization' as defined by paragraph (3) of this
12 subsection," immediately following "section 8331 (1) of this
13 title,".

14 (b) An employee who, on the date of enactment of this
15 subsection, is on approved leave without pay and is serving
16 as a full-time officer or employee of a "labor organization"
17 as defined by section 8332 (k) (3) of title 5, United States
18 Code, may make the election provided for by the first sen-
19 tence of section 8332 (k) (1) of such title, as amended by
20 subsection (a) of this section, within sixty days after such
21 date of enactment.

22 (c) For the purpose of the second sentence of section
23 8332 (k) (1) of title 5, United States Code, the word "em-
24 ployee" includes—

25 (1) an employee who, on July 18, 1966, was on

1 approved leave without pay and serving as a full-time
2 officer or employee of an organization composed pri-
3 marily of employees as defined by section 8331 (1) of
4 such title and who, before September 17, 1966, filed
5 an election similar to that prescribed by section 8332 (k)
6 (1) of such title; and

7 (2) an employee who, on the date of enactment of
8 this subsection, is on approved leave without pay and
9 is serving as a full-time officer or employee of a "labor
10 organization" as defined by section 8332 (k) (3) of title
11 5, United States Code, and who, before the close of the
12 sixty-day period prescribed by subsection (b) of this
13 section, files an election under such subsection (b).

14 (d) The last sentence of section 8332 (k) (1) of title 5,
15 United States Code, is hereby repealed.

16 (e) The first sentence of section 8332 (k) (2) of title
17 5, United States Code, is amended by inserting "or of a
18 'labor organization' as defined by paragraph (3) of this sub-
19 section" immediately before the period at the end thereof.

20 (f) Section 8332 (k) of title 5, United States Code, is
21 amended by adding at the end thereof the following new
22 paragraph:

23 "(3) For the purposes of this subsection, 'labor organi-
24 zation' means any organization of any kind, or any agency
25 or employee representation committee or plan, in which em-

1 ployees participate and which exists for the purpose, in whole
2 or in part, of dealing with employers concerning grievances,
3 labor disputes, wages, rates of pay, hours of employment, or
4 conditions of work, and includes a national or international
5 organization of which such labor organization is a member.”.

6 (g) Section 8348 (g) of title 5, United States Code,
7 does not apply with respect to annuity benefits resulting from
8 the enactment of this section.

9 (h) The foregoing provisions of this section shall not
10 apply in the cases of persons retired or otherwise separated
11 prior to the date of enactment of this section. The rights of
12 such persons and their survivors shall continue in the same
13 manner and to the same extent as if this section had not been
14 enacted.

15 GROUP LIFE INSURANCE AND HEALTH BENEFITS COVERAGE
16 FOR EMPLOYEES ON LEAVE WITHOUT PAY SERVING
17 WITH LABOR ORGANIZATIONS

18 SEC. 221. (a) The first sentence of section 8706 (e) of
19 title 5, United States Code, is amended by inserting “or of
20 a ‘labor organization’ as defined by section 8332 (k) (3) of
21 this title,” immediately following “section 8701 (a) of this
22 title,”.

23 (b) The first sentence of section 8906 (e) (2) of title 5,
24 United States Code, is amended by inserting “or of a ‘labor
25 organization’ as defined by section 8332 (k) (3) of this title,”
26 immediately following “section 8901 of this title,”.

1 (c) An employee who, on the date of enactment of this
2 subsection, is on approved leave without pay and is serving as
3 a full-time officer or employee of a "labor organization" as
4 defined by section 8332 (k) (3) of title 5, United States Code,
5 may elect, within sixty days after such date of enactment—

6 (1) to continue any insurance status or health bene-
7 fits enrollment, or both, which he has on such date of
8 enactment,

9 (2) to reacquire any insurance status or health
10 benefits enrollment, or both, which he may have lost
11 while on leave without pay, or

12 (3) to acquire an insured status or enroll in a
13 health benefits plan, or both, if he were never previously
14 eligible to do so, by arranging to pay currently and
15 continuously into the Employees' Life Insurance Fund
16 and the Employees Health Benefits Fund, as appropri-
17 ate, through his employing agency, both employee and
18 agency contributions.

19 The employing agency shall forward such payments to the
20 Employees' Life Insurance Fund and the Employees Health
21 Benefits Fund, as appropriate. If the employee does not make
22 any of the elections set forth above, his insurance status and
23 health benefits enrollment will continue and terminate in the
24 same manner as for other employees in a nonpay status, or
25 he will remain ineligible for insurance and health benefits, as

1 the case may be, as though this subsection had not been
2 enacted. The United States Civil Service Commission may
3 prescribe regulations to carry out the purposes of this
4 subsection.

5 SEC. 222. Section 203 of the Federal Legislative Salary
6 Act of 1964 (78 Stat. 415) is amended as follows:

7 (1) in subsection (b), by striking out "\$28,500"
8 and inserting in lieu thereof "\$29,500";

9 (2) in subsection (c), by striking out "\$27,000"
10 and inserting in lieu thereof "\$28,750";

11 (3) in subsection (d), by striking out "\$25,500"
12 and inserting in lieu thereof "\$27,500"; and

13 (4) in subsection (e), by striking out "\$23,500"
14 and inserting in lieu thereof "\$25,000".

15 For the purposes of this Act—

16 (1) "Department" means each department, agency,
17 establishment, or other organization unit in or under the
18 legislative, executive, or judicial branch of the Government
19 of the United States or of the municipal government of the
20 District of Columbia, including a Government-owned or con-
21 trolled corporation.

22 (2) "Public official" means any officer or employee of
23 the Government of the United States or of the municipal gov-
24 ernment of the District of Columbia, whether elected or
25 appointed, in whom is vested the authority by law, rule, or

1 regulation, or to whom such authority has been delegated, to
2 appoint, promote, or discharge persons in connection with
3 employment with any such government or to recommend
4 persons for appointment or promotion.

5 (3) "Relative" means any person who is related to
6 a public official as father, mother, son, daughter, brother,
7 sister, uncle, aunt, first cousin, wife, niece, nephew, father-
8 in-law, mother-in-law, brother-in-law, sister-in-law, step-
9 father, stepmother, stepson, stepdaughter, stepbrother, or
10 stepsister.

11 SEC. 2. (a) A public official shall not appoint employ,
12 or recommend for appointment, employment, promotion, or
13 advancement to a position in the department in which he
14 is serving or over which he exercises jurisdiction or control
15 any person who is a relative of such official.

16 (b) Any relative appointed, employed, promoted, or
17 advanced in violation of this section shall not be entitled
18 to compensation, and no money shall be paid from the
19 Treasury of the United States as compensation to any rela-
20 tive so appointed, employed, promoted, or advanced.

21 EFFECTIVE DATES

22 SEC. 223. (a) Except as otherwise expressly provided,
23 this title shall take effect as follows:

24 (1) This section and sections 201, 207, 212, 216,

1 219, 220, and 221 shall become effective on the date of
2 enactment of this title.

3 (2) Sections 202, 203, 204, 205, 206, 208, 209,
4 210, 211, 213 (except subsection (d)), 214, and 217
5 shall become effective as of the beginning of the first pay
6 period which began on or after October 1, 1967.

7 (3) Sections 213 (d), 215, 218, and 222 shall be-
8 come effective at the beginning of the first pay period
9 which begins on or after the date of enactment of this
10 title.

11 (b) For the purposes of determining the amount of in-
12 surance for which an individual is eligible under chapter 87
13 of title 5, United States Code, relating to group life insur-
14 ance for Federal employees—

15 (1) all changes in rates of pay which result from
16 the enactment of this title (except Postal Field Service
17 Schedule II, Rural Carrier Schedule II, and sections
18 207, 212, 213 (d), 215, 216, and 222) shall be held
19 and considered to become effective as of the date of such
20 enactment; and

21 (2) all changes in rates of pay which result from
22 the enactment of section 212 of this title and which take
23 effect retroactively from the date on which the adjust-
24 ments thereof are actually ordered under such section,

shall be held and considered to become effective on the date on which such adjustments are actually ordered.

SEC. 224. (a) Section 5542 (b) of title 5, United States Code, is amended to read:

“(b) For the purpose of this subchapter, unscheduled overtime work performed by an employee on a day when work was not scheduled for him, or for which he is required to return to his place of work, is deemed at least 2 hours in duration.”

(b) Subchapter V of chapter 55 of title 5, United States Code, is amended by inserting the following new section after section 5542:

“§ 5542a. Time in travel status

“(a) For the purpose of this subchapter and except as provided by subsections (b) and (c) of this section, time spent by an employee in a travel status away from his permanent duty station is hours of work only if—

“(1) the time spent is within the days and hours of his regularly scheduled administrative workweek, including regularly scheduled overtime work;

“(2) the travel involves the performance of work while traveling; or

“(3) the travel is carried out under arduous conditions.

1 “(b) For the purpose of this subchapter, time spent
2 by an employee in actual travel outside his regularly sched-
3 uled administrative workweek, including regularly sched-
4 uled overtime work, is hours of work, if—

5 “(1) the employee is required to travel for a sub-
6 stantial distance because of an emergency arising from
7 an event that could not be scheduled or controlled ad-
8 ministratively; or

9 “(2) in the case of an employee in a grade of the
10 General Schedule below GS-10, or an employee in a
11 position not subject to the General Schedule the mini-
12 mum rate for which is less than the minimum rate for
13 GS-10, he is required—

14 “(A) to travel from his regular place of work
15 at his permanent or temporary duty station to a
16 work assignment, or travel from a work assignment
17 to his regular place of work, and the travel does
18 not require him to stay away from his permanent
19 or temporary duty station overnight;

20 “(B) to travel from his home to a 1-day
21 assignment at a place away from his permanent
22 duty station, or travel to his home from such a
23 1-day assignment, but not including the equivalent
24 of the time normally spent going from home to

work or work to home which, for this purpose, may be considered 1 hour;

“(C) to travel from his lodgings at a temporary duty station to a 1-day assignment away from his temporary duty station, or travel to his lodgings after such a 1-day assignment, but not including the equivalent of the time normally spent going from lodgings to work or work to lodgings which, for this purpose, may be considered 1 hour;

“(D) to travel from his permanent duty station to a place where he will stay overnight, but only the time spent in actual travel during the first 4 hours after his departure;

“(E) to travel from a place where he stayed overnight to his permanent duty station, but only the time spent in actual travel during the last 4 hours before his arrival; or

“(F) to travel, in connection with going to or returning from a place where he stays overnight, on a nonworkday during the hours that correspond to his regularly scheduled hours of work on a workday.”

“(c) For an employee in GS-10 or a higher grade of the General Schedule, or an employee in a position not subject to the General Schedule the minimum rate for which

1 is equal to or greater than the minimum rate for GS-10, the
2 head of an agency may consider time spent in actual travel
3 outside the regularly scheduled administrative workweek,
4 including regularly scheduled overtime work, as hours of
5 work, if—

6 “(1) he considers it necessary to afford equitable
7 treatment to the employee; and

8 “(2) the travel time would be hours of work for an
9 employee under subsection (b) (2) of this section.

10 However, the head of the agency may determine that each
11 hour spent in actual travel shall count as only one-half hour
12 of work.”

13 (c) The analysis of chapter 55 of title 5, United States
14 Code, is amended by inserting the following new item after
15 item 5542:

“5542a. Time in travel status.”

16 (d) The amendment made by this section shall become
17 effective 90 days after the date of enactment.

18 **ABSORPTION OF COSTS**

19 SEC. 225. That part of the total amount of the in-
20 creases provided by this title for the fiscal year ending June
21 30, 1968, for officers, employees, offices, and positions in the
22 executive branch of the Government which is in excess of
23 the total amount of allowances in the Budget of the United
24 States Government for the fiscal year ending June 30,
25 1968, for increases in pay for civilian officers, employees,

1 offices, and positions in the executive branch of the Federal
2 Government shall be absorbed by the departments, agencies,
3 establishments, and corporations in the executive branch
4 (other than the postal field service) ; and no amount beyond
5 the additional sum for such compensation increases proposed
6 in the budget for the fiscal year 1968 is authorized to be ap-
7 propriated by any provision of this Act. The total amount of
8 such absorption shall be allocated by the Bureau of the Budget
9 among such departments, agencies, establishments, and cor-
10 porations (other than the postal field service) in such
11 manner and to such extent as the Director of the Bureau of
12 the Budget deems appropriate in the light of their essential
13 functions.

14 (b) Pursuant to the objective of this section, heads of the
15 executive branch activities concerned are directed to review
16 with meticulous care each vacancy resulting from voluntary
17 resignation, retirement, or death and to determine whether
18 the duties of the position can be reassigned to other em-
19 ployees or whether the position can be abolished without
20 seriously affecting the execution of essential functions.

21 (c) Nothing contained in subsection (a) of this section
22 shall be held or considered to require (1) the separation
23 from the service of any individual by reduction in force or
24 other personnel action or (2) the placing of any individual
25 in a leave-without-pay status.

1 SEC. 226. Notwithstanding any other provisions of this
2 title, officers and employees of the Office of Economic Op-
3 portunity shall not receive any increase in basic salary by
4 reason of the enactment of this Act, and such officers and
5 employees shall continue to receive compensation at the
6 same rate of compensation in effect on the day immediately
7 before the effective date of the salary increases provided
8 by Section 202.

9 TITLE III—PROHIBITION OF PANDERING
10 ADVERTISEMENTS

11 SEC. 301. (a) Chapter 51 of title 39, United States
12 Code, is amended by adding at the end of such chapter the
13 following new section:

14 **“§ 4009. Prohibition of pandering advertisements in the**
15 **mails**

16 “(a) Whoever for himself, or by his agents or assigns,
17 mails or causes to be mailed any pandering advertisement
18 which offers for sale matter which the addressee in his sole
19 discretion believes to be erotically arousing or sexually pro-
20 vocative shall be subject to an order of the Postmaster Gen-
21 eral to refrain from further mailings of such materials to
22 designated addressees thereof.

23 “(b) Upon receipt of notice from an addressee that he
24 has received such mail matter, determined by the addressee
25 in his sole discretion to be of the character described in sub-
26 section (a) of this section, the Postmaster General shall issue

1 an order, if requested by the addressee, to the sender thereof,
2 directing the sender and his agents or assigns to refrain from
3 further mailings to the named addressees.

4 “(c) The order of the Postmaster General shall ex-
5 pressly prohibit the sender and his agents or assigns from
6 making any further mailings to the designated addressees,
7 effective on the thirtieth calendar day after receipt of the
8 order. The order of the Postmaster General shall also direct
9 the sender and his agents or assigns to delete immediately
10 the names of the designated addressees from all mailing lists
11 owned or controlled by the sender or his agents or assigns
12 and, further, shall prohibit the sender and his agents or
13 assigns from the sale, rental, exchange, or other transaction
14 involving mailing lists bearing the names of the designated
15 addressees.

16 “(d) Whenever the Postmaster General believes that
17 the sender or anyone acting on his behalf has violated or is
18 violating the order given under this section, he shall serve
19 upon the sender, by registered or certified mail, a complaint
20 stating the reasons for his belief and request that any re-
21 sponse thereto be filed in writing with the Postmaster Gen-
22 eral within fifteen days after the date of such service. If the
23 Postmaster General, after appropriate hearing if requested
24 by the sender, and without a hearing if such a hearing is
25 not requested, thereafter determines that the order given has

1 been or is being violated, he is authorized to request the At-
2 torney General to make application, and the Attorney Gen-
3 eral is authorized to make application, to a district court of
4 the United States for an order directing compliance with such
5 notice.

6 “(e) Any district court of the United States within the
7 jurisdiction of which any mail matter shall have been sent
8 or received in violation of the order provided for by this
9 section shall have jurisdiction, upon application by the At-
10 torney General, to issue an order commanding compliance
11 with such notice. Failure to observe such order may be
12 punished by the court as contempt thereof.

13 “(f) Receipt of mail matter thirty days or more after
14 the effective date of the order provided for by this section
15 shall create a rebuttable presumption that such mail was
16 sent after such effective date.

17 “(g) Upon request of any addressee, the order of the
18 Postmaster General shall include the names of any of his
19 minor children who have not attained their nineteenth birth-
20 day, and who reside with the addressee.

21 “(h) The provisions of subchapter II of chapter 5 (re-
22 lating to administrative procedure) and chapter 7 (relating
23 to judicial review) of part I of title 5, United States Code,
24 shall not apply to any provisions of this section.

25 “(i) For the purposes of this section—

1 “(1) mail matter, directed to a specific address
2 covered in the order of the Postmaster General, without
3 designation of a specific addressee thereon, shall be
4 considered as addressed to the person named in the Post-
5 master General’s order; and

6 “(2) the term ‘children’ includes natural children,
7 stepchildren, adopted children, and children who are
8 wards of or in custody of the addressee or who are living
9 with such addressee in a regular parent-child relation-
10 ship.”.

11 (b) The table of contents of chapter 51 of title 39,
12 United States Code, is amended by adding at the end
13 thereof—

“4009. Prohibition of pandering advertisements in the mails.”.

14 SEC. 302. The provisions of this title shall become effec-
15 tive on the one hundred and twentieth day after the date of
16 enactment of this Act.

Passed the House of Representatives October 11, 1967.

Attest:

W. PAT JENNINGS,

Clerk.

AN ACT

To adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

OCTOBER 16, 1967

Read twice and referred to the Committee on Post
Office and Civil Service

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued November 16, 1967
For actions of November 15, 1967
90th-1st; No. 186

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HIGHLIGHTS: House passed poverty bill. Senate committee voted to report pay bill.

HOUSE

1. **POVERTY.** Passed, 283-129, with amendments S. 2388, the poverty bill (pp. H15287-364, H15367-8, H15375-6, H15381-4, H15397). House conferees were appointed (p. H15364). Agreed to, 221-190, a motion by Rep. Ayres to recommit the bill and have it reported back with a reduction of the authorization from \$2,060,000,000 to \$1,600,000,000 (p. H15363).
2. **APPROPRIATIONS.** The Rules Committee reported a resolution for consideration of H. R. 13893, the foreign aid appropriation bill (p. H15400). This bill is to be debated today, Nov. 16 (p. D1035).

Conferees were appointed on H. R. 13606, the military construction appropriation bill (p. H15283). Senate conferees have been appointed.

3. RECLAMATION. The Rules Committee reported a resolution for consideration of S. 862, to amend the Small Reclamation Projects Act to (1) remove certain language which is objectionable to the President on the grounds that it violates the "separation of powers" doctrine, and (2) extend the benefits of the small reclamation projects loan program to projects which include irrigation as a project purpose but which are, or may be, used primarily for domestic, municipal, or industrial water supply. p. H15400
4. PEACE CORPS. The Rules Committee reported a resolution for consideration of S. 1031, to authorize appropriations for the Peace Corps. p. H15400
5. GRANTS TO STATES. Received from GAO a report on interest savings available if program funds of Federal Extension Service and Cooperative State Research Service were advanced to States only as needed. p. H15399

SENATE

6. PAY BILL. The Post Office and Civil Service Committee ordered reported (but did not actually report) with amendments H. R. 7977, to increase postal rates and salaries of Federal employees. The Daily Digest states the bill as approved by the committee would include a 6-percent pay increase to postal employees, 4½-percent increase to classified employees, provide additional insurance benefits for all Government employees, and provide effective date of Oct. 1, 1967, on salary increase provisions. p. D1034
7. AGRICULTURAL LEGISLATION. The Daily Digest states that the Agriculture and Forestry Committee ordered reported (but did not actually report) the following bills; Without amendment H. R. 10442, to authorize the exchange of national forest lands with public school authorities; and with amendment S. 1722, to authorize increased acreage allotments for old wheat farms; and S. 2565, to amend the Federal Farm Loan Act and the Farm Credit Act with respect to interest rates on farm loans. Committee also approved four watershed projects. pp. D1032-3
8. SOCIAL SECURITY. Began debate on H. R. 12080, the social security bill. pp. S16492-3, S16495-538
9. COMMODITY RESERVES. Sen. McGovern urged enactment of S. 2617, the commodity reserve bill, and Sens. Mansfield, Young, N. D., Burdick, Metcalf, Cooper, Harris, Long, Mo., and Morse were added as cosponsors. p. S16445
10. MIGRATORY BIRD CONSERVATION. Passed the following bills; without amendment S. 2447, to make the Secretary of Transportation a member of the Migratory Bird Conservation Commission in place of the Secretary of Commerce; and as reported S. 322, to provide that no land can be transferred from the national wildlife refuge system without approval of the Migratory Bird Commission, and H. R. 480, to extend for 8 years the period during which funds may be appropriated for acquisition of wetlands for migratory bird conservation. pp. S16434-6

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
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Issued November 22, 1967
For actions of November 21, 1967
90th-1st; No. 190

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HIGHLIGHTS: Senate committees reported meat inspection bill, pay raise bill, and bill relating to wheat acreage allotments.

HOUSE

- 1. APPROPRIATIONS.** Both Houses agreed to the conference report on H. R. 13606, the military construction appropriation bill, which includes funds to reimburse CCC for costs of certain family housing. This bill will now be sent to the President. pp. H15678-82, S16950-2
Rep. Curtis presented a statement by Republican members of the Joint Economic Committee on how to reduce the budget deficit. p. H15730
- 2. MIGRATORY BIRD CONSERVATION.** Concurred in the Senate amendments, with an amendment, to H. R. 480, to extend for 8 years the authorization for acquisition of wetlands for conservation of migratory waterfowl. p. H15687

3. PEACE CORPS. Passed, 312-32, without amendment S. 1031, to authorize additional appropriations for the Peace Corps. This bill will now be sent to the President. pp. H15687-706
4. LOANS. The Rules Committee reported resolutions for consideration of H. R. 13706, to remove the 6% limit on loans by Federal land banks and banks for cooperatives, and H. R. 13489, to modernize the Federal Credit Union Act. p. H15774
Rep. Cahill recommended truth-in-lending legislation. pp. H15720-2
5. FARM PROGRAM. Rep. Langen criticized the farm program and said the farmers' outlook, as reported by USDA, is bad news. pp. H15724-5
6. NATIONAL GRANGE. Rep. Hanley inserted Secretary Freeman's statement in honor of the 100th anniversary of the National Grange. pp. H15770-2
7. FLAMMABLE FABRICS; ATOMIC ENERGY. The Rules Committee reported resolutions for consideration of S. 1003, to amend the Flammable Fabrics Act, and H. R. 13934, to amend the Atomic Energy Act. p. H15774
8. WATERSHEDS. The Public Works Committee approved various watershed reports. p. H15706
9. FOREIGN TRADE. The Rules Committee reported with amendment H. Res. 960, to provide for an investigation of foreign goods competing with domestic goods (H. Rept. 982). p. H15774
The Rules Committee granted a rule for consideration of H. R. 6649, to amend the Export-Import Bank Act. p. D1061
10. ADJOURNMENT. Agreed to adjourn from Nov. 22 to Nov. 27. pp. H15673-4

SENATE

11. MEAT INSPECTION. The Agriculture and Forestry Committee reported with amendments S. 2147, the meat inspection bill (S. Rept. 799). p. S16844
12. WHEAT ACREAGE ALLOTMENTS. The Agriculture and Forestry Committee reported with amendment S. 1722, to authorize increased acreage allotments for old wheat farms (S. Rept. 800). p. S16844
13. PAY BILL. The Post Office and Civil Service Committee reported with amendment H. R. 7977, to increase postal rates and salaries of Federal employees (S. Rept. 801). p. S16993
14. SOCIAL SECURITY; PERSONNEL. Continued debate on H. R. 12080, the social security bill (pp. S16892-950, S16952-93).
The committee report says the bill "would make major improvements in the provisions of the Social Security Act relating to the old-age survivors, and disability insurance program, the hospital and medical insurance programs, the medical assistance program, the aid to families with dependent children, and other public assistance programs and the child welfare and child health programs."
The report discusses possible inclusion of Federal employees, stating in part as follows:

POSTAL RATES AND FEDERAL SALARIES

NOVEMBER 21, 1967.—Ordered to be printed

Mr. MONRONEY, from the Committee on Post Office and Civil Service, submitted the following

R E P O R T

[To accompany H.R. 7977]

The Committee on Post Office and Civil Service, to which was referred the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

SUMMARY OF THE BILL

The committee has reported the bill as referred with amendments to increase postal rates as follows:

(1) First-class mail is increased to produce an additional \$518.4 million.

(2) Airmail and air parcel post has been increased to produce an additional \$49.7 million.

(3) Second-class mail has been increased to produce an additional \$33.6 million.

(4) Third-class mail has been increased to produce an additional \$264.7 million.

(5) Controlled circulation rates have been increased to produce an additional \$7.9 million.

(6) Fourth-class book rates have been increased to produce an additional \$12.6 million.

(7) Additional Federal revenue derived for mailings by the Government will produce an additional \$29.6 million.

The total new revenue when the bill is fully effective will produce \$916.5 million, an increase of \$26.9 million over the bill as referred.

Salary increases for Federal employees in the postal field service, the general classified service, the Department of Medicine and Surgery in the Veterans' Administration, the Foreign Service, employees in county offices with the Agricultural Stabilization and Conservation Service, and employees in the legislative and judicial branches of the Government have been increased over a 3-year period to achieve comparability with rates of pay in private enterprise by July 1, 1969.

Provisions for a Salary Commission have been removed from the bill.

Provisions of title III, to curtail the mailing of pandering advertising, have been approved by the committee in the form recommended by the House of Representatives.

A new title IV will provide additional group life insurance for Federal employees similar to legislation earlier passed by Congress but vetoed by the President.

TITLE I

POSTAL RATES

The chart on pages 4 and 5 illustrates postal revenue and postal rates on the basis of 1968 volume, revenue, and cost coverage estimates under the rates recommended by the House of Representatives and by the committee:

Postal rates

Mail class	Rates			Esti- mated 1968 volume (millions)	Esti- mated 1968 revenue (millions)	Esti- mated 1968 surplus or loss (millions)	New revenue (millions)		Cost coverage after all pay and rate increases		
	Now	H. R. 7977	Senate bill				H. R. 7977	Senate	Now	H. R. 7977	Senate
First class:											
Letters.....	5¢ oz.....	6¢ oz.....	6¢ oz.....	42, 225	\$2, 526. 9	+\$101. 2	\$495. 4	\$495. 4			
Drops.....	4¢ oz.....	6¢ oz.....	6¢ oz.....	106							
Cards.....	4¢ each.....	5¢ each.....	5¢ each.....	2, 302	\$92. 2	-\$24. 5	\$23. 0	\$23. 0	103%	110%	110%
Total.....				44, 633	\$2, 619. 1	+\$76. 7	\$518. 4	\$518. 4			
Airmail:											
Letters.....	8¢ oz.....	10¢ oz.....	10¢ oz.....	2, 098	\$225. 0	+\$10. 8	\$56. 3	\$56. 3	105%	119%	119%
Cards.....	6¢ each.....	8¢ each.....	8¢ each.....	32	\$2. 0		\$0. 6	\$0. 6			
Parcels.....	First class and zone rates.	Zone rates.....	Zone rates.....	55	\$107. 8	+\$46. 2	-\$7. 2	-\$7. 2	175%	157%	157%
Total.....				2, 185	\$334. 8	+\$57. 0	+\$49. 7	+\$49. 7			
Second class:											
Regular.....	Adv. 4.2¢ to 14¢ per pound. Non-Adv. 2.8¢ per pound. Minimum of 1¢.	Adv. 5.1¢ to 17¢ per pound. Non-Adv. 3.4¢ per pound. Minimum of 1.3¢.	Adv. 5.2¢ to 17¢ per pound. Non-Adv. 3.4¢ per pound. Minimum of 1.3¢.	5, 142	\$110. 9	-\$264. 9	\$25. 0	\$26. 1	29%	34%	33%
Surcharge.....		0.3¢.....	Deleted.....	(1, 835)			\$5. 5			Included in 34% figure.	
Nonprofit.....	1.8¢ per pound; ½¢ minimum.	2.1¢ per pound; 0.2¢ minimum. Adv. at zone rates; 5.1¢ to 12¢.	2.1¢ per pound; 0.2¢ minimum. Adv. at zone rates; 5.2¢ to 17¢. 10% exclusion.	2, 266	\$7. 9	-\$126. 2	\$6. 2	\$4. 5	7%	11%	9%

Classroom	60¢ of regular rate	Same	Same	137	\$1.8	—\$8.2	\$0.4	\$0.4	18%	20%
In-county	1½¢ per pound; ¾¢ minimum.	1.5¢ per pound; 0.2¢ minimum.	1.5¢ per pound; 0.2¢ minimum.	1,748	\$9.3	—\$70.9	\$2.0	\$2.1	13%	14%
Transient	4¢ first 2 oz.; 1¢ each add'l oz.	5¢ first 2 oz.; 1¢ each add'l oz.	5¢ first 2 oz.; 1¢ each add'l oz.	44	\$5.0	—\$0.4	\$0.5	\$0.5	92%	91%
Total				9,337	\$134.9	—\$470.6	\$39.6	\$33.6		
Third class: Single piece	4¢ first 2 oz.; 2¢ each add'l oz.	6¢ first 2 oz.; 2¢ each add'l oz.	6¢ first 2 oz.; 2¢ each add'l oz.	3,409	\$209.3	—\$34.1	\$69.8	\$69.8	86%	103%
Bulk—Regular	12¢ and 18¢ per pound; 2½¢ minimum.	16¢ and 22¢ per pound; 3.8¢ minimum.	16¢ and 22¢ per pound; 3.6¢ to 4¢ mini- mum.	15,667	\$495.7	—\$316.9	\$154.1	\$182.8	61%	72%
Bulk—Nonprofit	6¢ and 9¢ per pound; 1¼¢ minimum.	8¢ and 11¢ per pound; 1.9¢ and 1.3¢ mini- mum.	50% of bulk pound rate and 40% of mini- mum per-piece bulk rate.	3,286	\$43.4	—\$117.3	\$10.1	\$12.1	27%	30%
Total				22,362	\$748.4	—\$468.3	\$234.0	\$264.7		
Controlled circulation	13½¢ per pound; 1¢ minimum.	15¢ per pound; 3.8¢ minimum.	16¢ per pound; 3.8¢ minimum.	437	\$24.3	—\$17.6	\$6.4	\$7.9	58%	71%
Fourth class: Books, records, films, and other materials.	10¢ first pound; 5¢ each add'l.	16¢ first 2 pounds; 6¢ each add'l.	12¢ first pound; 6¢ each add'l.	221	\$57.8	—\$70.6	\$9.7	\$11.5	45%	49%
Library mail	4¢ first pound; 1¢ each add'l.	8¢ first 2 pounds; 3¢ each add'l.	5¢ first pound; 2¢ each add'l.	18	\$1.7	—\$8.9	\$2.6	\$1.1	16%	37%
Total				239	\$59.5	—\$79.5	\$12.3	\$12.6		
Federal Government mail.	All classes	All classes.	All classes		\$153.6	+\$7.3	\$29.2	\$29.6	105%	115%
Grand total ¹				79,193	\$4,074.6	—\$895.0	\$889.6	\$916.5	83%	88%

¹ Listed services only. Data do not reflect volume, revenue, or costs for other services, including parcel post, international mail, special services, and public-service costs for rural operations.

SUMMARY OF COMMITTEE AMENDMENT—TITLE I

First-class mail

The committee has increased the rate on first-class mail from 5 to 6 cents per ounce. This will produce an additional \$495.4 million. The present category of drop letters is eliminated and the rate is increased from 4 to 6 cents per ounce. (Drop letters are letters mailed for local delivery at a post office which does not have letter carrier or rural carrier delivery.)

The rate on postal cards is increased from 4 to 5 cents each, producing an additional \$23 million.

Airmail

The rate on airmail letters is increased from 8 to 10 cents per ounce. This will provide an additional \$56.3 million. The rate on airmail post cards is increased from 6 to 8 cents each, producing an additional \$600,000.

Air parcels

The rate on air parcels, now mailed at a zone rate, is revised. Beginning with the effective date of the postal provisions of this legislation, airmail weighing more than 7 ounces and first-class mail weighing more than 13 ounces will be combined as one class of mail and will be delivered by the most expeditious means of transportation available.

This is a significant departure from the present method of determining class of mail and postage rates for heavier parcels. Because of the significantly high cost coverage of heavy first-class and airmail parcels, the Post Office Department has recommended and the committee and the House of Representatives have approved a new rate schedule combining these two kinds of heavy mail at a zone rate schedule which is generally lower than present rates for air parcel post or first-class mail. A particular benefit to the public will be the 80-cent nationwide airmail rate for any parcel weighing 1 pound.

The total revenue gained in these changes in airmail and heavy parcels will be \$49.7 million.

Second class

The committee has made several changes in the provisions for rates of postage applicable to second-class mail.

The regular rates approved by the House applicable to commercial magazines and newspapers have been revised to increase by 0.1-cent the pound rate on the advertising content in the first four zones. This will produce an additional \$1.1 million over the House figure of \$25 million.

The surcharge of 0.3-cent on each copy of a publication which mails more than 500,000 copies per issue has been eliminated.

The rate of postage on advertising content of nonprofit publications has been revised so that the advertising zone schedule will be identical to the schedule for commercial publications, but nonprofit publications having not more than 10 percent advertising will not be subject to the advertising rate schedule. The rate of postage for nonadvertising content and the minimum-per-piece charge for each

copy of a nonprofit publication is substantially lower than the rate for commercial publications.

The rate of postage on classroom publications is maintained at 60 percent of the regular commercial rate.

The rate of postage for publications which are distributed within the county of publication is approved as referred. This will increase rates to 1.5 cents per pound with a minimum of 0.2 cent per piece.

The rate of postage on transient second-class mail is increased by 1 cent on the first 2 ounces.

The existing law granting a preferential minimum-per-piece rate of 0.75 cent for second-class publications having not more than 5 percent advertising in any one issue has been repealed. This class will mail at the minimum piece rate applicable to other regular second-class publications.

Total revenue gain is \$33.6 million.

Third class

The third-class rate schedule for single piece has been approved as referred. Under existing law, the rate is 4 cents for the first 2 ounces and 2 cents for each additional ounce. The House of Representatives recommended and the committee has approved an increase to 6 cents for the first 2 ounces. This will produce an additional \$69.8 million.

The rates of postage on bulk-rate third-class mail is increased from 12 to 16 cents per pound for seeds, catalogs and books, and from 18 to 22 cents per pound on other mail. The minimum charge per piece was increased by the House of Representatives from the present 2.875 to 3.8 cents effective January 7, 1968. The committee has revised this minimum charge per piece to increase the rate to 3.6 cents effective January 7, 1968, and 4 cents effective January 1, 1969.

The committee carefully considered the impact of a rate increase on this class of mail for business users. Proposals for spreading the increase over a 3-year period, for increases above 0.4 cent per piece, and several other alternatives were considered. The reported rate increase in two stages with a permanent rate equal to 66.6 percent of the regular first-class rate will provide about \$28 million additional revenue over the House-approved figure and will raise cost coverage of this class of mail to about 75 percent. The subsidy, estimated at \$316 million in fiscal year 1968, will be substantially reduced.

The bulk rate from nonprofit organizations has been increased from the present minimum-per-piece rate of 1.25 cents to 40 percent of the minimum-per-piece regular bulk rate. The provisions of the bill as referred from the House of Representatives, divided nonprofit organizations into two groups. Nonprofit organizations for religious, charitable, or general health purposes were permitted to mail at a minimum of 1.3 cents. Other nonprofit organizations would mail at 1.9 cents per piece, except when that mail was of a fundraising nature for religious, charitable, or general health purposes.

The committee has revised this language so that all nonprofit organizations as defined in section 4452, title 39, United States Code, will mail at the same rate with no distinction between those that are religious, charitable, or general health, and those which are not. It would create a significant administrative problem in the postal service to have differing rates of postage applicable to the same class of mail each

determined by which organization is using the mail for a fundraising or nonfundraising purpose.

The nonprofit minimum rate has been increased only one-fourth of a cent in the past 39 years. The committee believes that establishing a permanent relationship of the nonprofit minimum rate to the regular rate, at a 60-percent discount of the regular rate, is a fair rate for the mailer without being an undue charge to the taxpayer who makes up the loss.

Total revenue gain is \$264.7 million.

Controlled circulation

The rate for controlled circulation publications has been increased from 13.5 cents per pound and a 1-cent minimum to 16 cents per pound and a 3.8-cent minimum over a 3-year period. This will produce an additional \$7.9 million.

The committee rate is a 1-cent increase in the pound rate over the House bill.

Controlled circulation publications differ from second-class publication in that they usually do not have a list of subscribers and do not charge money for the magazine. In many cases they are publications serving a particular profession, business, trade, or interest. They are "controlled" in the sense that businesses which buy advertising in such publications are interested in reaching a particular public market.

Historically, controlled circulation publications have been in the third-class category. However, prior to 1935, any third-class publication which exceeded 8 ounces in weight automatically fell into fourth-class parcel post rate schedule. In 1935, Congress permitted such publications to exceed 8 ounces and continue to pay the third-class rate, including the minimum per piece of 1 cent.

In 1949, controlled circulation rates were established as a separate rate schedule between second class and third class. However, the minimum rate per piece was not increased even when the third-class minimum began to rise from 1 cent (established in 1928) to 2.875 cents (in 1965).

As a result of the low minimum, some third-class publications, particularly shoppers' guides, have converted their publication format to conform to the 24-page requirement of controlled publications simply to avoid the higher third-class minimum per piece rate. This rate would apply to publications weighing less than 3.8 ounces.

The three-step increase from 1 to 3.8 cents will prevent publications from converting simply to avoid higher postage rates. Likewise, the increase in the pound rate from 15 to 16 cents will discourage any third-class publication from converting to controlled circulation format simply to pay a rate 1 cent less per pound than the third-class rate.

The committee amendment goes far to reestablish the relationship of controlled circulation publications to third-class mail insofar as rates are concerned, but does not impose the 16 ounce weight limit applicable to third-class mail.

Total revenue gain is \$7.9 million.

FOURTH-CLASS BOOKS AND RECORDS

The committee has revised the proposal of the Postmaster General and the House of Representatives regarding the rate of postage and the weight distribution of fourth-class books, records, films, and other

materials which mail at a special fourth-class rate substantially lower than parcel post. As proposed by the Postmaster General and approved by the House, the rate was increased from 10 cents for the first pound and 5 cents for each additional pound, to 16 cents for the first 2 pounds and 6 cents for each additional pound. The committee has decided to retain the increment of 1 pound, but has increased the rate. The rate will be 12 cents for the first pound and 6 cents for each additional pound.

The rate of postage for similar materials mailed to or from libraries and nonprofit organizations is changed from the existing rate of 4 cents for the first pound and 1 cent for each additional pound to 5 cents for the first pound and 2 cents for each additional pound. The House had approved a rate equal to 50 percent of the regular book rate. The House bill would produce \$12.3 million. The bill reported by the committee will produce \$12.6 million.

SURCHARGE ON SECOND-CLASS PUBLICATIONS

The committee deleted section 104(f) from H.R. 7977. This section, adopted on the floor of the House of Representatives, added a surcharge of 0.3 cent on all copies of second-class matter in excess of one-half million copies per issue. Testimony from association witnesses was unanimous in opposition to this provision.

The committee believes that this provision is unwise for two reasons. First, there is no economic justification to indicate why magazines with circulation in excess of one-half million should pay more postage. Before any such surcharge is adopted, cost justification should be shown. From the testimony presented, it appears that magazines with large circulation tend to have more direct sacks to sectional centers than those with less circulation, thereby lessening mail handlings and sortation at the final destination. We believe that a case was made by those publishers primarily affected by the surcharge that it costs no more, per copy to handle their magazines than others with less circulation. Additionally, the sponsor of the amendment assumes that publisher profits and circulation are coincidental. The disappearance of several very prominent and widely read magazines in the past 10 years disputes that conclusion.

The second reason for the deletion of this section is that a substantial question as to the constitutionality of a rate which discriminates against a group within second class without a rational justification was raised by the mail users affected (see *Grosjean v. American Press Company*, 297 U.S. 233). The committee would hesitate to enact a provision of questionable constitutional validity without full, careful and thorough hearings and deliberation by both legislative committees of the Congress.

ADVERTISING SUPPLEMENTS

This provision has been deleted from the bill. As referred, section 115 provided a new requirement that first-, third-, and fourth-class rates, as appropriate, be paid on "advertising supplements" mailed with second-class publications. The provision was opposed by the newspaper and magazine associations and was not requested by the Post Office Department. It is the belief of the Post Office Department and

the mail users that present laws and regulations on this subject are adequate.

The committee has been advised, however, of abuses occurring in this area and has received complaints that the Department is not enforcing stringently the existing law and regulations. The committee believes the Department should review existing regulations and determine whether its enforcement procedures are adequate. The committee strongly believes that this area should be policed vigorously by the Department and expects the Department to take immediate steps to do so.

PREPARATION OF SECOND-CLASS MAIL

Section III provides that "publishers and news agents shall mail second-class matter in the manner directed by the Postmaster General." It is the opinion of the committee that this language grants the Postmaster General an authority too broad. In testimony before the committee, Postmaster General O'Brien stated that the purpose of the amendment was a technical one to delete from existing law the present word "zones" and make it conform to the present practice of requiring sortation by a five-digit ZIP code. In view of the stated intention of the Postmaster General, the committee believes that the language should be narrowed and state the present administrative requirement, rather than implying new authority to require sorting not presently envisioned by the Congress or the Post Office Department. If it is necessary to require any additional sortation of second-class matter, the Postmaster General may seek that authority from the Congress.

ADDITIONAL ENTRY POINTS

Under existing law, enacted in 1879, nonweekly publications may mail within the county of their publication and original entry for local delivery by letter carrier at a per-copy rate. For more often than weekly publications the rate is 1 cent. For other than daily papers, the rate is 1 cent for 2 ounces and 2 cents for more than 2 ounces.

Congress in 1918 enacted the first zone-rate publication schedule for second-class mail. Shortly thereafter, some monthly magazines began mailing at post offices of additional entry at the local zone rate. The Postmaster General ruled that such magazines, when mailed at additional entry points, were not entitled to the local zone rates but must mail at the per-copy rate. The per-copy rate has not been increased since its enactment in 1879. Because the practice of charging the per-copy rate at additional entry points has been followed by the Post Office Department since 1918, the Department is not willing to reverse its administrative ruling unless an expression of congressional intent is provided despite the fact that a 2-cent rate for a 1-pound copy of a monthly magazine constitutes a heavy subsidy and gives these magazines a Government-sponsored competitive advantage over weeklies or other monthlies which do not mail at additional entry points.

As passed by the House of Representatives, the per-copy rate was specifically limited to the office of original entry. This would have

required all magazines mailing at the per-copy rate at additional entry points to pay local zone postage beginning January 7, 1968. The additional revenue would be \$1.0 million. To permit a reasonable period of adjustment for these nonweekly publications, the committee has revised the language to increase the per-copy rate only at additional entry points from 1 cent and 2 cents to 2.5 and 3.5 cents over a 3-year period, beginning July 1, 1968.

The change in the per-copy rate at additional entry points will have no effect upon nonweekly publications mailing at the office of publication and original entry. It will also not affect the local zone rates paid by weekly publications when mailed at additional entry points or publications mailed at offices which do not have letter carrier delivery.

PRIORITY MAIL

The Postmaster General is to be commended for the actions he has taken this year to airlift first-class mail in order to improve postal service to American citizens in anticipation of the increased rates of postage provided in this bill. Earlier this year the Department began a vigorous program to provide airlift of first-class mail on a space-available basis when air was the most expeditious means of transportation available. This has resulted in substantial improvements in service, especially for first-class mail going relatively long distances. The amount of first-class mail being carried this year as of the end of September, compared with the same period last year, has increased 254 percent on the domestic trunklines and all cargo carriers and by an astounding 591 percent on the local service carriers.

The Department has also instituted a bold and innovative new transportation scheme designed around the use of air taxi operators. Under this program, small, safe, and reliable operators, using twin-engine aircraft, provide service at night for the Department, at the time when most of the mail moves. This will enable the Department to provide overnight delivery of first-class and airmail among States and regions. The concept, as imaginative as anything since the Pony Express, is permitting the Department to tie its sectional center post offices together into a nationwide network, without which the Department could never achieve its goal of 24-hour delivery for first-class and airmail letters.

The committee endorses the Department's goal of 24-hour delivery of first class and airmail anywhere in the country and the Department's plan to utilize the most expeditious means of transportation available in order to achieve that goal. The Department should proceed, however, cautiously and deliberately, so that this program can be put into effect on a sound, safe, and reliable basis. Section 101(a) of the committee bill embodies this concept by authorizing the most expeditious handling and transportation practicable for first-class mail weighing more than 13 ounces. The committee is confident this service improvement for first-class mail over 13 ounces will be welcomed by the public. The degree of public acceptance and the extent to which this mail can be moved expeditiously and reliably will determine when the next step toward the ultimate goal of establishing a single class of priority mail can be taken.

STANDARDIZATION OF MAIL

The legislation originally proposed by the Department included sections establishing standard characteristics for mail and imposing penalty charges on mail not meeting those characteristics. These sections were deleted by the House because the House committee did not have an opportunity to examine the provisions in depth. The House committee report stated that a careful and complete study should be undertaken before acting on these matters.

This committee concurs with the conclusion expressed in the House report that this matter must be resolved by the Congress and the Department and that a thorough study should be undertaken at the earliest practicable time.

Preliminary analysis of the problem indicates two separate areas for consideration:

1. *First-class and airmail letters.* Since these mails lend themselves to machine processing and accelerating application of machinery in post offices, some reasonable standards are necessary in the interest of both the mail users and the Department in order to reduce investment and operating costs. On November 9, the Department transmitted proposed legislation to the President of the Senate providing for (a) a study by the Department for the purpose of determining an equitable definition of "standard" letters, (b) a 2-cent penalty to be applied to "nonstandard" letters weighing 2 ounces or less, and (c) an effective date for the penalty charge 2 years after the promulgation of the definition. Hearings on this proposed legislation will enable this committee to determine how to deal with this aspect of the standardization question.

2. *Other mail difficult to handle.* The need for standardization is not limited to mail subject to machine processing. Such material as samples or other bulky or large-size pieces presently admissible at third-class bulk rates involves extra cost and difficulty in the post office of delivery, even though it involves no machine processing. The Department proposes that, after it has undertaken a study of the problems in this area, it will issue regulations redefining material that is mailable at bulk rates to exclude hard-to-handle pieces. Such material would thus be required to pay postage at the higher single-piece rate.

Although this committee recognizes that the Postmaster General may regulate the mails eligible for the third-class bulk rate, we are of the firm opinion that the Department must develop its proposals with the benefit of consultation by all parties affected by these regulations. The committee expects to be notified of any regulations the Department intends to propose, so that the committee can hold hearings and advise the Department of our views prior to the beginning of formal regulatory proceedings.

OTHER PROVISIONS INVOLVING POSTAL MATTERS

The committee has approved provisions of the House bill preserving the present advertising per-pound rate in the first and second zone for publications devoted to the science of agriculture when the total number of copies mailed during a 1-year period to subscribers residing in rural areas constitute at least 70 percent of the total number of copies distributed by any means for any purpose.

The committee has approved without change the House provision preserving a low minimum-per-piece rate for publications when fewer than 5,000 copies are mailed outside the county of their publication. The present 0.5-cent rate is increased to 0.8 cent over a 3-year period.

The committee has approved without change provisions extending to principally contiguous counties the within-county rate for publications which are mailed in an incorporated city situated entirely within a county or contiguous to one or more counties in the same State, but which is politically independent of such county or counties.

The committee redefined the meaning of the word "books" for fourth-class special rate mailings so that to qualify for this special rate a book must consist of at least 24 pages, 22 of which are printed, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books.

The committee has added pads of forms or ballots for use in obtaining and expressing opinions to the kinds of materials which may be included in this special fourth-class rate.

The committee has also approved the inclusion for the library rate of museum materials, specimens collections, teaching aids, printed matter, and interpretative materials intended to inform and further the education, work, and interest of museums and herbaria.

The committee has approved extending the nonprofit second-class mailing rate to publications of nonprofit educational or State-owned or operated nonprofit educational television stations. This will have the effect of permitting television program guides distributed by nonprofit educational television stations or State- or municipally-owned or supported television stations to mail at the nonprofit second-class rate rather than the third-class rate.

The committee has adopted the House provisions for free mail for blind and other handicapped persons but has added a section to require certification by competent authority that a person is unable to read normal reading material in accordance with the provisions of the act of July 30, 1966, which improved the Library of Congress reading program for blind and handicapped persons.

The committee has amended the statute regarding permissible enclosures on fourth-class mail to permit an invoice also serving as a request for payment to be mailed as a permissible enclosure without payment of first-class postage if the invoice relates solely to the matter with which it is mailed. This is applicable to invoices which are securely attached to or enclosed in a package and contain a statement of price and request of payment only for the contents of the package. It would not permit the enclosure of a cumulative bill or statement of account without payment of first-class postage.

The committee has approved the provisions of the House bill requiring that all bills and statements of accounts (other than permissible enclosures on fourth-class mail) must be mailed at first-class rates. This repeals provisions of existing law which permit identical statements in quantities of at least 20 to be mailed at the third-class rate, and which permit bills to be enclosed in second-class publications without additional postage.

The committee struck those provisions of H.R. 7977 which extended to servicemen anywhere in the world the same special mailing privileges which now exist for servicemen stationed in combat areas. The only additional benefit to servicemen in combat zones contained in H.R. 7977 was an increase from 5 to 30 pounds of the size of parcels that could be airlifted on a space-available basis. These extensions of special mailing privileges for servicemen worldwide were opposed by the Department of Defense and the Bureau of the Budget. The additional cost of these extensions is estimated at approximately \$6.5 million.

The 89th Congress provided substantial mailing privileges to servicemen stationed in combat zones and, to a more limited extent, to servicemen stationed anywhere in the world. Public Law 89-315 provided free airmail service for letters mailed by members of the Armed Forces serving in combat areas and permitted parcels not exceeding 5 pounds to be transported by air on a space-available basis to and from combat zones at the surface rate of postage. Last year Public Law 89-725 broadened these mailing privileges by including sound-recorded communications within the free mailing privilege, providing for airlift of current news publications to combat areas, providing worldwide airlift of letter mail and sound-recorded communications at surface rates to and from servicemen overseas stationed in non-combat areas, and by extending to servicemen stationed in noncombat areas the transportation of parcels not exceeding 5 pounds on a space-available basis at the surface postage rate.

The committee agrees with the concern expressed by the Department of Defense and the Bureau of the Budget that the provisions of the House bill would—

* * * extend to servicemen not in combat areas benefits and privileges which were originally designed in recognition of and to give special service to, the needs of those men serving under the trying and hazardous conditions which are unique to a combat zone. We perceive no justification for extending to those not associated with combat zones free mailing privileges for letters and sound-recorded communications, and we have serious doubts about the need to provide for air transportation of news publications and larger parcels on a worldwide basis. International editions of several weekly or daily news publications are available shortly after publication throughout Europe and in other areas of the world. Also, a great many of the personnel who would benefit from air transportation of large parcels have ready access to post exchanges and local consumer markets offering merchandise comparable to facilities in the United States.

The committee is opposed to any worldwide extension of the special mailing privileges now enjoyed by servicemen stationed in combat zones to servicemen in noncombat areas. The committee will consider next year whether or not additional mailing privileges should be granted to servicemen stationed in combat zones.

PUBLICATION OF NONPROFIT ORGANIZATIONS

This class of mail includes publications of religious, educational, scientific, philanthropic, agricultural, labor, veterans and fraternal organizations, as well as the publications of associations of rural electrification cooperatives and one publication by the official highway or development agency of any State.

At the present time the rate for these publications is 1.8 cents per pound with no distinction being made between the editorial and advertising content and no differential being charged based on the distance carried. In addition to providing increases in the minimum charge per piece, the House bill separated the advertising content of these publications from the nonadvertising portion. The rate for the nonadvertising portion will go up from the present 1.8 cents per pound to 2.1 cents per pound over a period of 3 years. For the first time, these publications will be charged a zone rate on the advertising portion of their publications. Under the House bill this advertising rate was identical to the advertising rate charged regular second-class publications through zone 5. A maximum of 12 cents per pound was fixed by the House for zones 6 through 8. This committee believes that the advertising rate schedule for both commercial and nonprofit publications should be identical and, therefore, has amended the House bill to establish identical advertising rate schedules for both types of publications. For nonprofit publications, the advertising rate schedule will be phased in over a 6-year period.

Because a large number of the organizations who use this particular class of mail for their publications rely almost entirely on charitable contributions and derive virtually no revenue from advertising, the committee approved an amendment to exempt from the advertising rate schedule those issues of publications in which the advertising portion does not exceed 10 percent. Although this will result in some loss of additional revenue, the public interest in the continuation of these organizations, who provide valuable charitable and social services to the country, must be balanced against the interest of the Department in collecting more revenue. This amendment will in no way affect or exempt those publications which carry substantial amounts of advertising and who therefore have an unfavorable advantage over regular taxpaying commercial publications because of their tax-exempt status and the reduced postage rates they pay. The establishment of identical rate schedules will go a long way toward eliminating this advantage.

The committee is concerned about the substantial growth that has occurred in this category of mail and by the size of the public service dollar loss attributable to it. From 1959 to 1966, the number of pieces in this category increased from 1.5 to 2.3 billion, a 53-percent increase, as compared with the 14-percent increase for all other second-class mail. The public service dollar loss for this one category of mail is estimated to be \$126 million for 1968. Cost coverage is only 7 percent at the present time and will rise only to 9 percent after the full increases provided in this bill take effect.

The committee believes that a large part of the growth in this category of mail has occurred as a result of the illegitimate use of this preferred postage rate by many organizations with commercial

motives masquerading as nonprofit organizations. That an organization qualifies as "nonprofit" for internal revenue purposes has nothing to do with its being classified as a "nonprofit" under the statutory requirements of postal law. The committee directs the Post Office Department to undertake immediately a thorough review of the more than 8,000 various nonprofit associations utilizing this rate. The Department should withdraw the second- and third-class permits of those who fail to qualify. The committee would also welcome recommendations from the Department on reformation of the existing law with respect to the types of organizations to be afforded this preference. More precise conditions than those in the present statute may need to be imposed in order to eliminate those organizations whose activities do not warrant this large subsidization by the taxpayer.

At the same time, the Department should make every effort to insure that organizations legally entitled to the preferential rate are treated equally at all post offices. A central coordination of certification to insure that congressional policy and departmental implementation are being followed would eliminate discriminatory practices that justifiably upset and mystify some users who mail at the preferential rate at one office and are denied the preference at another office.

The committee has received a number of complaints from members of the Photographic Society of America concerning its application to use the nonprofit rate applicable to photographic prints under section 4554 of title 39. The Department is expected to take immediate steps to ascertain the qualification of this organization and to insure that it pays no more than the rate to which it is entitled.

SECTIONAL ANALYSIS OF TITLE I

Section 101 revises sections of title 39, United States Code, as follows:

Section 4252 applies size and weight limits to first-class mail now applicable to airmail and parcel post.

Section 4253(a) increases postage on first-class mail 1 cent per ounce, a 20-percent increase, producing \$495.4 million.

Section 4253(b) moves first-class mail, weighing more than 13 ounces, into air parcel post at air parcel post schedule rates.

Section 4253(c) increases the post card rate 1 cent each, a 25-percent increase, producing \$23 million.

Section 4253(d) is a restatement of existing law on business reply mail.

Section 101(b) requires that any bill or statement of account is first-class mail, eliminating the third-class rate for printed identical bills in quantities of 20 or more.

Section 101(c) eliminates "drop" letters. A drop letter is a letter mailed for delivery in the same office where mail carrier service is not available. The rate is now 1 cent below first class.

Section 102(a) raises airmail from 8 to 10 cents per ounce, a 25-percent increase, raising \$56.3 million. The rate for air post cards goes from 6 to 8 cents, a 33-percent increase, raising \$600,000.

Section 102(b) establishes a new air parcel post rate schedule. These rates will apply to any airmail letter weighing more than 7 ounces and any first-class letter weighing more than 13 ounces.

Section 102(c) eliminates the requirement that the Defense Department reimburse the Post Office for mail addressed to the Canal Zone. There are no military post offices in the Canal Zone. The postal service in the zone is operated by the Canal Zone Government.

Section 103(a) revises the rates applicable to second-class nonprofit and other preferential publications.

The within-county rate goes from $1\frac{1}{4}$ cents to $1\frac{1}{2}$ cents per pound and from one-eighth cent to one-fifth cent minimum per piece. Present revenue is \$9.3 million and will be increased by \$2.1 million over a 3-year period.

Nonprofit second class is increased from 1.8 cents per pound to 2.1 cents per pound for editorial content and the minimum from one-eighth cent to one-fifth cent. The advertising rate schedule identical to the regular second-class advertisement schedule is established, graduated over a 6-year period.

The existing 60 percent of regular zones rates relationship for classroom publications is maintained.

The new section 4358(f) establishes a preferential rate for advertising in farm publications in zones 1 and 2. The present 4.2 cents per pound rate will be retained for any publication, if 70 percent of the total distribution is to subscribers residing in rural areas.

Section 4358(g) increases the present 0.5-cent minimum rate applicable to mailings of fewer than 5,000 copies outside the county. The rate goes to 0.8 cent over a 3-year period, a 60-percent increase producing \$426,000.

Section 4358(h) relates to proof of publication to the Postmaster General.

Section 4358(i) extends the within-county rate to independent incorporated cities. These cities now have the rate for city mailing, but cannot mail to a county surrounding or adjoining the city at the within-county rate, because they are not actually a part of the county. For example, this would permit an Alexandria, Va., newspaper to mail at the within-county rate within the city of Alexandria and throughout Arlington or Fairfax County.

Section 4358(j) relates to nonprofit publications.

Section 104 revises rates for regular second-class publications. An average 24-percent increase phased over a 3-year period will increase revenue by \$26.1 million.

Reading matter is increased from 2.8 to 3.4 cents per pound and the rate schedule for advertising is increased from 4.2 to 14 cents per pound to 5.2 to 17 cents per pound. The minimum per piece is increased from 1 to 1.3 cents.

Subsection 4359(c) is a restatement of existing law.

Section 4359(d) authorizes as soon as administratively practicable airlift on a space-available basis for second-class publications. The Postmaster General shall fix a surcharge equal to the additional cost incurred by airlifting. This service would be of particular benefit to current news publications which are printed on the east coast and transported by rail to the west coast. Delay in their distribution decreases their value to the reading market. A minimum charge of 4 cents is applied.

Section 105 increases the rate for transient second-class by 1 cent, producing \$500,000.

Section 106 increases the rate for controlled circulation from 13½ to 16 cents per pound over a 3-year period and increases the minimum per piece from 1 to 3.8 cents over a 3-year period. This will produce \$7.9 million.

Section 107 increases the rates on third-class mail. The individual piece rate is raised from 4 to 6 cents for the first 2 ounces. This will produce \$69.8 million. The bulk rate for commercial mailings is raised from 12 to 16 cents and from 18 to 22 cents per pound. The minimum per piece is increased from 27⁄8 to 3.6 cents in 1968 and 4 cents after 1968. This will produce \$182.8 million. The bulk rate for nonprofit organizations is increased from 1.25 cents to 40 percent of the minimum regular rate and 50 percent of the regular pound rate. This increases revenue by \$12.1 million.

Subsection 107(b) repeals the third-class regular piece and bulk rate applicable to identical printed bills or statements of account mailed in large quantities.

Section 108 increases the pound rate on fourth-class "educational materials" from 10 cents for the first pound and 5 cents for each additional pound to 12 cents for the first pound and 6 cents for each additional pound. The rate for mailings to and from library and nonprofit institutions is raised from 4 cents for the first pound and 1 cent for each additional pound to 5 cents for the first pound and 2 cents for each additional pound. This will produce \$12.6 million.

Subparagraph (a)(1) of section 4554 is a technical amendment to existing law correcting an inadvertent error in last year's parcel post bill. The provision relates to permissible mailings of book supplements in the fourth-class book category.

Subparagraph (a)(2) extends the book rate to any film not more than 16-millimeter. The present law excludes 8-millimeter film.

Section 108 (3) and (4) adds museum and herbaria exhibits and materials to library rate mailings.

Section 4554(e) authorizes the Postmaster General to establish regulations when fourth-class special mailings are in quantities of more than 1,000.

Section 109 increases the piece rate for keys and other small articles from 6 cents to 14 cents for the first 2 ounces, and from 6 cents to 7 cents for each additional 2 ounces.

Section 110 permits special handling of third-class mail. Present law prevents third class from receiving special handling even if a fee is paid. Such special handling is available to fourth class for a fee.

Section 111 revises existing law so that second-class mail can be prepared in accordance with a five-digit ZIP code. Existing law permits the Postmaster General to require sorting by zones. This is an anachronism caused by ZIP code.

Section 112 permits public service notices to be printed on second-class wrappers. This can be done on first and third class now.

Section 113 increases rates to be paid for local delivery by second-class publications at any additional entry points. Present practice by the Post Office permits nonweekly publications to pay the within-county rate (either 1 cent or 2 cents according to weight) at additional entry points other than the point of publication and original entry. Although the law does not specifically authorize this, it has been practiced since 1918.

This amendment gives legislative sanction to the practice and increases the rate over a 3-year period.

The new section 4653 in section 114 would extend the free mailing privileges currently provided only for matter mailed to the blind, to include other persons who cannot use or read conventionally printed material because of a physical impairment. The Library of Congress has for over 35 years administered the national books for the blind program. Public Law 89-522, July 30, 1966, authorized the Library of Congress to provide books and other reading materials to those persons who, because of physical handicaps, cannot read or hold ordinary printed materials. The amendment made by this section will include such persons within the benefits of the free mailing privilege.

The free postage is available when the matter mailed has no charge, or rental, subscription, or other fee, or the fee required is not in excess of the cost thereof. The matter may be opened by the Postmaster General for inspection, it must contain no advertising, and is subject to size and weight limitations prescribed by the Postmaster General. The free mailing privilege is extended to reading matter and musical scores; sound reproductions; paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions; reproducers, or parts thereof, for sound reproductions; and braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment within the meaning of this section.

The new section 4654 would restate the present provisions of section 4451(d), which is repealed, under which unsealed letters written in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage by a blind person or a person having a physical impairment, as described in section 4653(a) (1).

The new section 4655 would include in the law a new requirement that all matter mailed free under sections 4653 and 4654 be appropriately marked "Free Matter for the Blind or Handicapped" or with a similar phrase prescribed by the Postmaster General.

A requirement of certification by competent authority has been added to the House language.

Section 115 authorizes fourth-class permissible enclosure invoices to serve as a bill for the contents of the package.

Section 116 requires the Department of Defense to reimburse the Government of the Canal Zone for costs attributable to Armed Forces mailings to and from the Canal Zone.

Section 117 prohibits the mailing of an advertisement disguised as a bill or statement of account, unless clearly marked to be a solicitation. The committee expects the Postmaster General to use his full administrative authority as well as the authority of the courts to enforce this provision in addition to the express authority to refuse mailing privileges to this type of mail.

Section 118 provides effective dates. All rate increases become effective January 7, 1968.

The rate increase at additional entry points becomes effective July 1, 1968.

Section 119 makes certain technical and conforming amendments in title 39.

Section 120 adds publications of nonprofit and State-owned educational television stations to the group of organizations eligible for second-class rates without subscribers.

TITLE II

FEDERAL SALARIES

Title II provides for pay adjustments for civilian employees of the Government subject to the four statutory salary schedules and employees of the legislative and judicial branches and in county offices of the Agricultural Stabilization and Conservation Service.

These increases are to take effect in three stages, beginning October 1, 1967, and ending July 1, 1969. When fully effective, the salaries paid will reflect the most recent available Bureau of Labor Statistics evidence of salaries in private enterprise for positions of similar levels of work and responsibility. The total estimated cost of the three-stage increase for all employees is presented in the charts below:

Table of employment and costs

Statutory salary system	Number of employees	Fiscal year costs (in millions of dollars, cumulative)		
		1968	1969	1970
General Schedule.....	1,200,000	\$354.9	\$957.5	\$1,807.8
Postal field service.....	715,000	250.0	628.5	711.3
Veterans' Administration, Department of Medicine and Surgery.....	21,000	8.3	26.1	50.0
Foreign Service.....	16,000	7.8	26.2	50.7
Total, executive branch.....	1,952,000	621.0	1,638.3	2,619.8
Judicial branch.....	5,000	1.75	4.66	8.55
Legislative branch.....	6,550	1.99	5.13	9.24
Agricultural Stabilization and Conservation county committee employees.....	21,350	4.10	10.58	19.75
Total, all systems.....	1,984,900	628.84	1,658.67	2,657.34

Cost estimates—PFS, rural carrier, and fourth-class schedules

PFS level		Number	Current payroll	Cost		Percent of 1966 comparability	Cost	
Old	New			6-percent increase	New payroll		5-percent increase	New payroll
			Thousands	Thousands	Thousands		Thousands	Thousands
1.....	2.....	4,761	\$22,025	\$1,322	\$23,347	102.5	\$1,134	\$23,823
2.....	3.....	26,440	142,635	8,558	151,193	102.3	7,347	154,276
3.....	4.....	72,398	399,644	23,979	423,623	102.4	20,584	432,261
4.....	5.....	456,373	2,872,553	183,407	3,240,208	102.3	157,451	3,306,276
5.....	6.....	38,046	269,090	16,145	285,235	101.1	21,039	441,804
6.....	7.....	12,663	93,693	5,622	99,315	100.0	4,826	101,340
7.....	8.....	18,244	145,724	8,743	154,467	98.9	7,505	157,616
8.....	9.....	11,058	94,491	5,669	100,160	98.9	4,867	102,202
9.....	10.....	8,488	78,478	4,709	83,187	98.8	4,042	84,883
10.....	11.....	4,162	42,083	2,525	44,608	96.6	2,167	45,517
11.....	12.....	2,406	26,272	1,576	27,848	95.9	1,353	28,415
12.....	13.....	1,410	17,043	1,023	18,066	95.0	877	18,434
13.....	14.....	1,265	16,598	996	17,574	94.3	855	17,953
14.....	15.....	903	13,549	813	14,362	93.3	698	14,655
15.....	16.....	453	7,409	445	7,854	92.4	382	8,014
16.....	17.....	204	3,686	221	3,907	91.6	190	3,986
17.....	18.....	79	1,564	94	1,658	91.0	81	1,692
18.....	19.....	40	826	50	876	89.6	43	894
19.....	20.....	24	548	33	581	89.0	28	593
20.....	21.....	13	335	20	355	88.4	17	362
Total.....		659,430	4,248,246	265,950	4,698,444		235,486	4,944,996
Summary—Annual cost:								
PFS schedule:								
Basic pay.....				265,950			235,486	
Benefits.....				19,946			17,660	
Premium pay.....				23,935			21,143	
Total.....				309,831			274,289	
Rural carrier schedule:								
Basic pay.....				16,147			14,022	
Benefits.....				1,211			1,051	
Total.....				17,358			15,073	
Number of employees.....		47,276						
Fourth-class schedule:								
Basic pay.....				5,815			5,345	
Benefits.....				436			401	
Total.....				6,251			5,746	
Number of employees.....		7,714						
Grand total.....				333,440			295,108	
Fiscal year 1968:								
Oct. 1, 1967 (75 percent).....				250,080				

In the Federal Salary Reform Act of 1962, Congress declared the policy of establishing and maintaining Federal employees' salaries at levels comparable to wages paid in private enterprise for similar positions and responsibilities. The Bureau of Labor Statistics has annually surveyed private enterprise rates for positions comparable to positions in the Federal service classified in grades GS-1 through GS-15. Appropriate adjustments to maintain a pay line have been made in GS-16, GS-17, and GS-18.

The Salary Reform Act of 1962 was the most significant reform in statutory pay systems ever enacted. It ended a long series of sometimes-percentage and sometimes-dollar-amount pay increases which frequently failed to compensate properly middle and upper grade officers and employees throughout the Government. The proposal of the

Kennedy administration, to pay all employees wages generally aligned with private enterprise, brought to a conclusion that long post-war era of haphazard pay adjustments.

The Salary Reform Act of 1964 made further adjustments in all salary levels and, by increasing the salaries of executives and establishing the executive salary schedule, permitted upper level career employees to come close to comparability.

Because of budgetary limitations and inflationary pressures, salary increases in Public Laws 89-301 and 89-504 were 3.6 and 3.2 percent across the board for all employees. Both the executive branch and the Congress realized that comparability in all but the lowest pay levels was not maintained by those increases.

The U.S. Government is the largest employer in the world. Currently, there are almost 3 million civilian employees in all branches of the Government with a payroll cost of more than \$20 billion annually. Pay adjustments to maintain fair and equitable treatment for all employees are therefore expensive. A 1-percent increase in the average salary of the average postal worker costs \$55,573,333.

To continue to struggle every year with legislative proposals to increase salaries and achieve comparability is a time-consuming and expensive effort on the part of the Congress. The experience of the past 5 years indicates that comparability cannot be achieved by this method. The economic and political realities of pay adjustments for Government employees demonstrates this quite clearly.

Title II resolves this problem at least until the second session of the 90th Congress. By approving a three-stage salary increase based in part on a 1967 catchup increase, and 1968 and 1969 scientifically adjusted increases, comparability through GS-15 will be a fact in July 1969.

Above that level, increases will be limited to the salary level in effect at that time for level V of the executive salary schedule, which in title II of this bill is increased from \$26,000 to \$28,000. Because the committee has eliminated the Salary Commission, it will require further congressional action to increase any salary above the \$28,000 figure.

The salary increases in the three-stage plan will be increased in the following manner:

Effective October 1, 1967, employees subject to the postal field service schedule will receive a 6-percent across-the-board increase in salary. All other employees will receive a 4.5-percent increase effective at the same time.

Effective July 1, 1968, employees subject to the postal field service schedule will receive a 5-percent across-the-board increase in salary as provided in schedule II of section 205 of the bill. All other employees will receive an increase made effective by the President or other appropriate authority which will adjust their pay schedules to reflect salaries at current statutory levels plus one-half of the difference between Federal salaries and private enterprise salaries as determined by the 1967 Bureau of Labor Statistics report, but at least 3 percent. A maximum of the salary for level V of the executive salary schedule will be maintained for all employee salaries.

Effective July 1, 1969 (instead of April 1, as provided in the House bill), further adjustments will be made in all salaries to reach com-

parability with private enterprise salaries as determined by the 1968 BLS survey. The limitation of the salary for level V of the executive salary schedule will continue to apply to the top salaries.

The bill, as passed by the House and reported by the committee, provides 1.5 percent more for postal employees in the 1967 increase than for other employees. However, the 1968 and 1969 increases for classified and other employees will bring all employees up to comparability so that by 1969 postal positions and classified positions of similar levels of responsibility will be paid similar rates.

Postal employees are in some respects the assembly-line workers of the Federal Government. Unlike employees in other executive departments and agencies, they have little opportunity to move up into higher paying positions. There are only about 98,000 positions in the entire postal service above the postal clerk and letter carrier category. Of that number, about 25,000 are postmasterships and a few thousand are administrative positions in regional offices that clerks and carriers have little hope to attain. With little opportunity to advance, as is characteristic of employees in the other agencies and departments, postal employees deserve continuing consideration of salary adjustments which in part compensate them for the general lack of opportunity to advance in the service.

The Post Office Department must make every effort to improve the opportunities for postal clerks. Carriers, mail handlers, and other rank-and-file employees to advance within the service. Programs to improve mobility for all employees and move up into responsible and better paying positions must be a priority program for the Bureau of Personnel and all other organizational units of the Department.

Federal employees generally are entitled to pay and working conditions similar to their counterparts in private enterprise. There is an unrealistic ceiling on Federal salaries at the highest levels which reflects the national sentiment that officers with great responsibility in the Government are bound as good citizens to make some personal financial sacrifice for their country and their Government while serving in appointive positions. But below that high level, career employees must be paid as well as if they worked in private enterprise. There is a direct and proved relationship between adequate pay and the willingness of any employee anywhere to do his best. The Government would be saving nothing and losing much if it did not recognize and follow this principle of equal pay for equal work for Federal employees.

H.R. 7977, as reported by the committee, adheres to that principle.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

Section 216 of the bill as passed by the House of Representatives provided for the establishment of a commission to make quadrennial recommendations to the President on salary rates and other compensation benefits for Members of Congress, officers subject to the executive schedule, members of the judiciary and other officers and employees of the Government paid salaries above the rates provided by the general schedule. The President would submit to the Congress his recommendations based on the report of the Commission, and his recommenda-

tions would become effective 30 days after receipt unless Congress enacted pay increases by law or disapproved all or part of his recommendations.

This approach for the adjustment of the highest levels of pay for officers and employees of the Government was first suggested in title V of H.R. 11049, the Federal Salary Reform Act of 1964. That provided that high level salaries be increased by a percentage equal to increases for GS-18 or by the overall average increases for the general schedule of any statutory salary increase. The provision was stricken from the bill by the Senate committee. In 1965, the House of Representatives approved a salary commission plan similar to that contained in title II of this bill. It was stricken from the bill by the Senate committee.

This committee has again deleted the provision for the salary commission provided in section 216 of H.R. 7977.

The committee is unanimously opposed to any legislative proposal which would vest in the executive branch the authority to establish, affirmatively or negatively, the salaries of the Members of Congress. What we pay ourselves is a constitutional responsibility vested in us and to be exercised by us. To shirk that positive duty by handing the responsibility to the President, a salary commission, or any other person or group, and then to allow his or their recommendations to take effect is an abdication of constitutional responsibility.

There have been several distinguished commissions in past years which have recommended pay adjustments and other changes in law concerning the compensation of Federal officers and employees. Every one of them has served a useful purpose.

The Kaplan report of 1955 was the most far-reaching scientific study of Federal retirement systems made up to that time. It was the basis of the monumental Civil Service Retirement Act of 1956. The Randall report of June 12, 1963, served as the basis for the executive, legislative, and judicial salary increases of 1964. It was particularly useful in informing the Congress and the general public of the need for adjustments in these salary levels in order to recruit and retain high-level executive officers without requiring complete financial sacrifice. The Cabinet Committee Report on Federal Staff Retirement Systems, submitted to the Congress in 1966, has already served as the basis for legislative proposals to modernize all Federal retirement systems.

The committee approves, endorses, and benefits from such commission studies and recommendations. The distinguished Americans who served loyally and diligently on these panels have rendered a great public service. Their advice and counsel is appreciated. The President always has the right to appoint commissions or advisory boards to make studies of salary and fringe benefits paid to Federal employees and to make recommendations to him as to proper rates of compensation, which he may submit to Congress if he wishes. But no amount of advice or counsel can remove from the Congress the duty to legislate.

The committee is unanimously opposed to the provisions of section 216 as proposed by the House of Representatives.

SALARIES FOR OFFICERS AND EMPLOYEES OF THE LEGISLATIVE BRANCH

The committee has revised the House recommendations on salary adjustments for certain officers and employees of the legislative branch.

First, in regard to officers and employees who are paid by the Secretary of the Senate, the committee has authorized the President pro tempore to implement the 1968 and 1969 salary adjustments so as to maintain appropriate relationships between positions now existing in the salaries of Senate officers and employees. No salary shall exceed \$28,000 in the Senate and this salary shall apply only to the three senior officers of the Senate, the Legislative Counsel, the Secretary of the Senate, and the Sergeant at Arms. Officers of the Senate who are now paid at salaries in excess of the maximum salary payable to a committee clerk or administrative assistant should not be increased to a figure greater than \$27,000. The general maximum now established by law, \$24,480, should not be increased to a figure greater than \$26,000. The committee has also approved a limitation so that no employee in the General Accounting Office, Library of Congress, Government Printing Office, or Office of the Architect of the Capitol, whose pay is fixed in accordance with the General Schedule, shall be paid at an annual rate in excess of \$27,055. This has the effect of eliminating GS-18 rated positions from the 1968 and 1969 increases and limiting increases for lower grades to the \$27,055 salary.

The purpose of this limitation is to maintain proper relationships in the legislative branch of the Government. The committee has revised the salaries recommended by the House of Representatives for the highest ranking officers in the legislative branch and believes that employees subordinate to those officers should not be paid more than their superiors.

The committee recommends that the salaries of officers in the legislative branch be increased as follows: the General Counsel of the General Accounting Office, Librarian of Congress, Public Printer, and the Architect of the Capitol, from \$27,000 to \$28,000 instead of \$28,750; the Deputy Librarian of Congress, the Deputy Public Printer and the Assistant Architect of the Capitol from \$25,500 to \$27,250 instead of \$27,500; the Second Assistant Architect of the Capitol from \$23,500 to \$25,000, the salary recommended by the House of Representatives.

The committee recommends that the salary of the Assistant Comptroller General remain at its present level, \$28,500 instead of \$29,500.

The committee recognizes that these salaries are not identical for officers in the executive branch subject to the executive salary schedule, but believes that within the legislative branch the maintenance of appropriate relationships is most important and should and can be maintained without undue hardship. Further adjustments in these rates of pay can be made whenever a general increase in the salaries of the highest level officers of Government is enacted by Congress.

AGRICULTURAL EXTENSION EMPLOYEES

The committee believes that appropriations for cooperative agricultural extension work and appropriations for payments to State

agricultural experiment stations for the fiscal years beginning after the enactment of this act should include additional amounts sufficient to provide increases in the portion of compensation of employees in such work or at these stations which is paid from such appropriations, corresponding to the increases authorized for Federal employees subject to the general schedule or county office employees in the Agricultural Stabilization and Conservation Service whose salaries are increased by this act.

OTHER PAY PROVISIONS

The committee has amended the referred bill to require that U.S. attorneys, as well as assistant U.S. attorneys, shall have salary increases in accordance with the percentage of increases applicable to the general schedule.

The committee has included language to vest in each Senator the authority to adjust salaries of members of his office staff.

The committee approved the recommendations of the House of Representatives to increase executive salary schedules at levels III, IV, and V from \$28,500, \$27,000, and \$26,000, to \$29,500, \$28,750, and \$28,000, respectively.

The committee has approved the House proposal that the salary of the Director and the Deputy Director of the Administrative Office of the U.S. Courts be increased from \$27,000 and \$26,000 to the salary of a Federal district judge and the salary at level V of the executive schedule, respectively. These salaries are currently \$30,000 and \$28,000 as provided by this act.

The committee recommends that the salaries of Commissioners of the U.S. Court of Claims be increased from \$26,000 to \$29,000.

The committee has deleted provisions increasing the basic compensation of three employees of the Office of the Architect of the Capitol from \$7,700 to \$8,200 per annum. These employees will receive the 4.5-percent increase effective October 1, 1967, as provided for other legislative employees.

The committee has approved an amendment to the Dual Compensation Act providing for a limitation of gross pay of an employee who holds more than one position in the legislative branch. This applies to employees who are paid by both the Secretary of the Senate or the Clerk of the House of Representatives and the Architect of the Capitol.

The committee has approved the House recommendation to equalize the pay of the chief of staff of the Joint Committee on Internal Revenue Taxation with the pay of the legislative counsel of the House of Representatives.

The committee has revised House languages increasing the maximum amount of annual premium pay for employees who work uncontrollable overtime. This provision is generally applicable to law enforcement officers whose work schedule cannot be effectively controlled. As referred, the bill struck out the maximum of 15 percent and provided in lieu thereof a minimum of 20 percent and maximum of 30 percent. The committee eliminated any statutory minimum, but has increased the allowable maximum from 15 percent to 25 percent.

EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

Section 223 is designed to prevent a public official from appointing a relative to a civilian position, or from advocating a relative for appointment to a civilian position, in the agency in which the public official serves or over which he exercises supervision. The provision would prohibit promotions and advancements in such cases as well as appointments.

The provision would be applicable to appointments in all agencies in the executive, legislative, and judicial branches of the Government. The term "public official" would include all persons, including the President, Vice President, and Members of Congress, having authority to make appointments of civilian officers or employees in the Federal service. Thus, a Senator could not appoint a relative to any position under the Senate. Nor could a Senator advocate the appointment by any other public official of a relative of such Senator for employment under the Senate. Likewise, House Members would be prohibited from appointing or advocating the appointment of their relatives to positions under the House of Representatives.

Provisions are included to authorize the Civil Service Commission to prescribe regulations making exceptions from the prohibitions contained in the section so as to permit temporary appointments of relatives of a public official in case of certain emergencies, as well as provisions to prevent interference with the operation of the veterans preference laws in certain cases.

Any person found to be appointed, employed, promoted, or advanced, in violation of these provisions would be required to be removed from the payroll, but a saving provision is included which will permit the continued employment of a relative appointed by a public official prior to the effective date of the provision, and to make clear that the subsequent promotion or advancement of such an individual would not be prohibited so long as he continued to serve.

RECRUITMENT PROBLEMS

The committee has deleted from the bill a provision authorizing the Postmaster General to establish higher entrance rates in areas where recruitment is particularly difficult in certain postal occupations. Although the committee understands the problem of recruitment in some areas, particularly very large cities, it believes that the present authority of the Civil Service Commission to establish special salary schedules in certain employment or geographic areas is adequate to deal with postal recruitment.

The committee strongly urges the Post Office Department to improve its recruitment program with regard to senior citizens. There are hundreds of thousands of older citizens and retired persons who would appreciate the opportunity, activity, and compensation of a postal job in occupations for which they are suited physically. The Government should prove itself a leader in effort to serve the interests of the growing number of older citizens who want to continue some form of employment after regular retirement.

SPECIAL SALARY SCHEDULES

The committee has approved a change in the step of the statutory schedule grade which the Civil Service Commission may use at the initial step of a grade for a special salary schedule established by the Commission under the authority of section 504 of the Salary Reform Act of 1962.

Under that law, the Civil Service Commission was authorized by Congress to establish special salary schedules with entrance levels above the first step of the grade in order to recruit employees in professions or geographic areas where salaries in private enterprise were so substantially above Federal salaries that recruitment was difficult or impossible. This has been applied mainly to engineering, scientific, medical, and related fields. There was a limitation in the 1962 act which prevented the Civil Service Commission from establishing any schedule, the first step of which exceeded the seventh pay rate of the general schedule of the Classification Act.

Because of recruiting difficulties in certain occupations, the Civil Service Commission requests that this be changed so that the top step of the grade can be used as the entrance step if the Civil Service Commission determines it is necessary.

A current example of the problem involved is that in the effort to recruit nurses in Federal hospitals, the rates of pay in private enterprise are several hundred dollars above the seventh step of GS-5, which is the maximum step which now may be used for recruitment of nurses.

The committee does not believe the Civil Service Commission is utilizing its authority to establish special salary rates to the extent needed to attract and retain high caliber employees in specialized positions in competition with private industry. One glaring example of the Commission's failure to act is in the area of civilian pilots hired by the Federal Government, predominantly by the Federal Aviation Administration. The difficulties which the Federal Aviation Administration is having in hiring and retaining its force of civilian pilots is especially acute because of the shortage of civilian pilots and the wide differential in compensation being offered by private industry and the Federal Government. The committee is advised that the average pay for a commercial airline jet captain is approximately double the pay of the jet-rated pilots of the Federal Aviation Administration.

The following letter from the Federal Aviation Administration indicates the degree of difference between rates of pay for civilian pilots employed by the Federal Government and pilots employed by the commercial airlines.

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, D.C., November 7, 1967.

Hon. A. S. MIKE MONRONEY,
U.S. Senate, Washington, D.C.

DEAR SENATOR MONRONEY: In our recent telephone conversation you requested information concerning salaries our pilots are paid versus salaries paid to airline pilots. I can be fairly specific in setting forth annual agency pilot pay, but average annual airline pilot pay because of the variety of complex company/ALPA contracts can only be treated as an approximation.

A typical domestic scheduled airline recently signed a contract with its pilots for flying DC-8-61 aircraft. It agreed to pay a captain with 12 years of service an

annual salary of \$39,815 based on 75 hours of flight time per month. The same company agreed to pay a captain flying DC-9 aircraft, under the same length of service and monthly flight hours, \$33,564 annually. Similarly, a captain flying DC-8-51 series aircraft will be paid an annual salary of \$38,364. Another scheduled airline pays an annual average of \$32,400 to captains flying B-707 aircraft in domestic service, based on a monthly average of 70 hours per month. A captain flying the same aircraft (B-707) in international operations is paid an average of \$36,000 annually based on flying 70 hours per month. On the basis of this information, I think it reasonable to assume that the average scheduled airline captain flying jet aircraft receives an average annual salary of approximately \$34,000.

The following table reflects the average annual salaries paid to agency pilots whose primary duties involve flying:

	Number	Average grade	Average annual salary
Flight inspection.....	250	12.8	\$13,580
Administrative.....	7	13.0	13,332
General aviation inspectors: Turbo-rated.....	39	13.0	14,665
Flight test.....	46	13.0	14,665
Air carrier inspectors:			
Turbo-rated ¹	145	13.2	17,862
Prop-rated.....	41	13.0	14,665
Academy instructors:			
Turbo-rated.....	25	13.3	16,680
Prop-rated.....	42	13.0	14,090
Airplane pilot:			
Research.....	16	13.3	15,238
Maintenance/test.....	8	13.1	14,665
Average, all pilots.....			15,018
Average, turbo-rated.....			17,124
Average, other.....			13,944

¹ Includes premium pay.

As shown in the above table, an airline jet captain's pay is approximately double the pay of agency jet-rated pilots.

If I can be of further assistance, please do not hesitate to call on me.

Sincerely,

D. D. THOMAS,
Acting Administrator.

The committee believes the Civil Service Commission, in conjunction with the Federal Aviation Administration, should conduct an immediate survey of this problem to determine whether or not a special salary rate schedule should be established for civilian pilot employees of the Federal Government. Unless such a higher rate is established, the committee believes the Government will lose its civilian pilots at an increasing rate as the demand for their services grows rapidly in the private sector. The committee expects the Commission and the FAA to furnish it with a report at the earliest possible date on the extent of this problem and the desirability of establishing a special salary rate schedule for these specialized employees.

TRAVEL PAY

The committee has revised the provisions of the House bill in regard to traveltime and overtime pay. The Senate amendment revises present law so that an employee in the classified service, under wage board pay systems, or in the postal field service shall be paid for traveltime outside of his regular work schedule if the travel involves the performance of work while traveling (such as an ambulance attendant taking a patient to a hospital); is incident to travel that involves the

performance of work while traveling (such as a postal employee riding in a truck to a destination to pick up another truck and drive it back to his original duty station); is carried out under arduous conditions; or results from an event which could not be scheduled or controlled administratively.

The committee believes that regulations to implement these provisions should take into account the provisions of section 16 of Public Law 89-301, which requires agencies to the maximum extent practicable to schedule travel within the regular work schedule. The committee is convinced that the heads of executive departments and agencies can do much more to prevent the abuse of an employee's own time.

We are not satisfied with the progress agencies have made to comply with the 1965 act. An employee should not be required to travel on his offday in order to be at work at a temporary duty station early Monday morning to attend a meeting. It is an imposition upon his private life that should not be made. Nevertheless, pay for travel status should not be made so attractive that employees would seek to travel on their offdays in order to receive overtime pay. Proper scheduling and administrative planning is the answer to the problems of travel pay in many cases. When emergencies occur or when events cannot be controlled realistically by those in authority, traveltime must be paid for.

The committee also believes that agencies should utilize the most expeditious means of transportation practicable, commensurate with the nature and purpose of an employee's duties. To require an employee to ride the bus 200 or 500 or 1,000 miles to attend a meeting simply because it is the cheapest form of transportation is a false economy and archaic practice.

WAGE BOARD CLASSIFICATION APPEAL

The committee has extended to wage board employees the right of appeal to the Civil Service Commission when his position is reclassified by his agency. The Civil Service Commission is authorized to issue regulations for the operation of this new provision and may develop such regulations to encourage employees to utilize agency appeal procedures prior to an appeal to the Commission. Following normal administrative channels will eliminate an undue burden on the Commission but will nevertheless vest in the employee an absolute right of appeal to the Commission regardless of the decision of his agency.

CIVIL SERVICE RETIREMENT

The committee has amended the Civil Service Retirement Act to provide that a former Member of Congress who retires and is subsequently appointed to a position in the executive branch may elect to receive a civil service retirement annuity based either on his final basic pay as a Member of Congress or the final basic pay of the appointed position. A Member of Congress who retired from Congress in 1960 and who subsequently accepts an appointment in the executive branch is limited by existing law to a maximum of 80 percent of his final basic pay as a Member regardless of how long he

serves in the appointed position in the executive branch, how much money he pays into the Civil Service Retirement and Disability Fund while serving in the appointed position, or what amount his high-five average salary in the appointed position may be. The committee does not believe this is a fair limitation. The law should be revised to give the former Member the same benefit as would apply to a Member who did not retire, or to any other employee of the Government subject to the Civil Service Retirement Act.

ALLOWANCES FOR FORMER PRESIDENTS

The committee has increased the maximum amount of office expense funds available for payment of staff members of former Presidents of the United States. The act of August 25, 1958, authorizes \$65,000 per annum with a limitation that no employee may receive more than the salary of a member of a Senator's staff. The committee recommends \$80,000 as an office fund and the salary of level II of the executive schedule as the maximum salary of a former President's staff member.

ABSORPTION OF COSTS

The House bill contained a provision requiring the agencies and departments of the executive branch, except the Post Office Department, to absorb entirely the added costs of the pay increase provided for postal employees above that recommended by the administration. Although the committee believes that the pay increase for postal employees is entirely justified, it would be unfair to require those agencies and departments, whose employees will receive less of an increase during fiscal year 1968, to bear the cost of the additional pay increase for postal employees. Therefore, the committee has stricken this provision from the bill.

The committee concurs with the House that the departments and agencies should review carefully each vacancy resulting from voluntary resignation, retirement, or death to determine whether the position can be reassigned or abolished without seriously affecting the execution of the essential functions of government. The committee, therefore, expects the heads of the governmental agencies to undertake such a review and to absorb to the maximum extent feasible the pay increases provided by this bill. This would be in line with the previous policies of the executive branch requiring the absorption of substantial amounts of the pay increases that have been voted by the Congress for Federal employees since 1962.

OFFICE OF ECONOMIC OPPORTUNITY

The House bill exempted the officers and employees of the Office of Economic Opportunity from the provisions of this bill. In effect, these officers and employees would not receive any pay increase this year or in the succeeding 2 years, although all other Federal employees would receive substantial pay increases resulting in comparable wages with private industry by July 1, 1969. Despite the dissatisfaction and discontent the Congress has for the Office of Economic Opportunity at

the present time, the committee believes this provision of the House bill is punitive, denies needed pay increases to employees of this agency, requires them to suffer the consequences for policies and decisions over which they have little control, and in no way changes or eliminates those policies or programs with which the Congress is not satisfied. Therefore, the committee has stricken that provision of the House bill.

The committee is, however, unanimous in its criticism of many aspects of the Office of Economic Opportunity and the programs it administers. In particular, the committee believes that the salaries paid to officials administering the community action program in the various States are entirely too high and are out of line with the levels of pay in private industry. This same sentiment is prevalent in the Senate, which recently included a provision in the authorization bill for the Office of Economic Opportunity limiting to 15 percent the amount of overhead for administration of any community action program. This is the proper way to make corrections in those programs of the Office of Economic Opportunity with which the Congress disagrees. The committee has the same attitude toward those programs for which the Office of Economic Opportunity contracts out with private industry. The rates of pay for employees of the private companies engaged in these contract operations is, in many cases, exorbitant and substantially above the rates of pay which would be paid to Federal employees performing the same functions.

The committee hopes the appropriate legislative committees in the Senate and House will undertake a careful study and review of the whole gamut of programs administered by the Office of Economic Opportunity, in particular the community action program and those projects that are contracted out to private industry.

SECTIONAL ANALYSIS OF TITLE II

Section 202 provides a 4.5-percent across-the-board increase for employees subject to the general schedule of the Classification Act.

There are currently 1,188,577 employees under the schedule. The 4.5-percent increase will cost \$354.9 million for fiscal year 1968.

Section 202(b) provides the ordinary conversion rules for employees subject to the act.

Subparagraph (1) is a general rule.

Subparagraph (2) is the exception for employees between two rates of a grade.

Subparagraph (3) is an exception clause for an employee paid at a saved rate.

Subparagraph (4) is a savings clause for firefighters who may be paid at a saved rate under the Fringe Benefits Act of 1954.

Subparagraph (5) is a conversion rule for the payment of retroactive salary.

Subparagraph (6) is a conversion rule for employees brought under the general schedule during the period of retroactivity.

Section 203 is a technical correction to title 39, renumbering the salary levels because of the changes in the House bill which creates a new 21-level pay schedule.

Section 204 is a revision of the key position descriptions in title 39 applicable to employees in the postal field service.

The essential change is that instead of having 20 levels of pay, there will be 21 levels of pay, but the new PFS-1 will be for a "cleaner" rather than a "janitor." There is no such position as "cleaner" at the present time and it is doubtful that the Post Office will hire more than a handful of people in this category in the future. All employees presently in level PFS-1 will be moved into level PFS-2.

Section 205 provides two new pay schedules for employees subject to the postal field service. Postal field service schedule I becomes effective on the first day of the first pay period beginning on or after October 1967. Postal field service schedule II becomes effective on the first day of the first pay period on or after July 1, 1968.

Schedule I is an across-the-board 6-percent increase to all employees. The fiscal 1968 cost is \$250,080,000. Postal field service schedule II is a 5-percent across-the-board increase. The fiscal 1969 cost is \$295,108,000.

Section 205(b) establishes two new rural carrier pay schedules, providing 6-percent equivalent increases for the 31,000 rural carriers in the postal field service.

Rural carriers are paid at a rate which on the basis of the 42-mile rural route is the equivalent of the city letter carrier.

Section 205(c) establishes a new compensation schedule for postmasters at fourth-class offices.

Under existing law, a special schedule of pay for these postmasters compensates them on the basis of annual revenue measured by revenue units. This was enacted by the Congress in 1964. At the present time, there are six different levels of compensation in the fourth-class office schedule. Section 205(c) eliminates the present schedule and ranks each postmaster in a fourth-class office at an equivalent rate of PFS-6 (or what is now PFS-5, the lowest postmaster rank for a third-class office). Under a conversion rule established by the Postmaster General pursuant to this law, postmasters at fourth-class offices shall be paid on the basis of the PFS-6 level after determining the number of hours of work per week necessary to perform the duties of their office.

A postmaster at a fourth-class office who now devotes two actual working hours of his day to the operation of the postal facility (and not his grocery store or filling station) will be paid 25 percent of the rate of PFS-6. A postmaster at a fourth-class office who devotes full time to the operation of his office will be paid the rate of PFS-6.

Any postmaster who cannot be satisfactorily fitted into this schedule will be paid his present salary plus 6 percent until future pay schedules catch up with him.

Subparagraph (c) revises the allowance for office and facilities for postmasters at fourth-class offices.

The estimated cost of this entire fourth-class office revision is \$4,813,000 in fiscal 1968 and \$5,746,000 in fiscal 1969.

Section 205(e) is a conversion rule for postal field service employees, rural carriers, and postmasters in fourth-class offices. The remaining provisions of section 205 apply to pay adjustments in schedule II of this title.

The bill as referred has been amended to insure that all postal employees receive the pay increases. Some employees at a "saved rate" would not receive an increase if their saved rate exceeds the maximum rate of their present grade. The committee has included language to insure that these employees (and classified employees) at saved rates will receive the salary increases provided for all other employees.

Section 206 is a conforming amendment because of the changes in the fourth-class post office pay schedule.

Section 206(c) makes certain conforming amendments in title 39 regarding overtime pay which are necessary because of the changes in the numbers of the levels in the postal field service schedule.

Section 207 revises the maximum step which may be used for the establishment of a special salary schedule under section 504 of the Federal Salary Reform Act of 1962.

Section 208 provides a 4.5-percent increase for employees in the Department of Medicine and Surgery in the Veterans' Administration. These rates of pay are at minimums and maximums similar to rates of pay under the general schedule of the Classification Act.

Section 209 provides corresponding increases in the rates of pay for employees in the Foreign Service and staff offices and employees of the Foreign Service.

Section 210 provides similar increases for employees in the county offices of the Agricultural Stabilization and Conservation Service.

Section 211 authorizes increases in pay for U.S. attorneys and assistant U.S. attorneys and permits the adjustment of pay of all Federal employees, notwithstanding the antideficiency statute.

Section 212 provides for the 1968 and 1969 increases in order to close the gap between Federal salaries and rates of pay for comparable positions of responsibility in private enterprise. The first increase is equal to one-half the amount by which private enterprise rates exceed Government rates as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the Federal Salary Reform Act of 1962, or by 3 percent, whichever is greater.

Assuming a 5-percent increase in the average rates of pay in private enterprise between March 1966, and June 1967, the percentage of increase in Federal salaries by closing one-half the gap will vary between 3 and 8.7 percent (applicable to GS-16). The rates for GS-17 and GS-18 will not be increased by as large a percentage because of the maximum salary of \$28,000 applicable to all positions.

Effective July 1, 1969, the second half of the comparability gap will be closed for employees subject to all statutory schedules, including the postal field service. This will again be done on the basis of the 1968 comparability study by the Bureau of Labor Statistics and the rates of pay will be adjusted so that they will be comparable to current figures available from private enterprise. The maximum rate of pay will continue to be \$28,000, unless the rates of pay for the levels of the executive salary schedule have been increased beyond that point by that time.

Similar adjustments in the rates of pay for employees outside of the statutory schedule shall be made in the legislative and judicial branches of Government, and for employees in the ASCS county offices.

Section 213 increases the salary of employees in the judicial branch of the Government by amounts similar to those for the general schedule of the Classification Act.

Section 213(d) increases the salaries of the Director and Deputy Director of the Administrative Office of the United States Courts.

Under the Federal Salary Act of 1964, the Director is paid \$27,000 a year and the Deputy Director is paid \$26,000 a year.

Section 213(d) adjusts the salary of the Director to the salary of the U.S. district judge which is presently \$30,000, and adjusts the salary of the Deputy Director to the salary of level V under the executive schedule which according to the provisions of this bill will be \$28,000.

Section 213(e) increases the salaries of Commissioners of the U.S. Court of Claims from \$26,000 to \$29,000.

Section 214 adjusts the pay of the employees of the Congress, effective October 1, 1967. All employees will receive a 4.5-percent increase.

Section 214(e) equates the salary of the chief of staff of the Joint Committee on Internal Revenue Taxation with the salary of the legislative counsel of the House of Representatives.

Section 214(f) states that the pay increase will not apply to student congressional interns or employees under the House wage schedule.

Sections 214(g) through (n) applies to salary increases of employees of the Senate.

Section 214(o) limits dual office compensation of certain congressional employees on two payrolls.

Section 215 increases the salaries for executive offices at levels III, IV, and V of the Federal Executive Act of 1964. This provides a \$1,000 increase for those in level III, a \$1,750 increase for those in level IV, and a \$2,000 increase for those in level V.

Section 216 is a maximum salary clause which provides that, except as specifically provided by this act, no salary shall be increased above the rate in effect for level V of the executive schedule. The rate for level V in the executive schedule in this act is at \$28,000. No salary except those specified in this act (such as the Director of the Administrative Office of the United States Courts and other positions the salary for which are elevated above \$28,000 in this legislation) may exceed \$28,000 unless the salary for level V is increased by statute.

Section 217 provides for an increase in the rate of premium pay for law enforcement officers who work uncontrollable overtime under the provisions of the Fringe Benefit Act of 1954.

Under that act, a maximum rate of 15 percent of annual basic compensation was set as a premium to be paid to such employees (treasury agents, FBI officials, and others involved in law-enforcement activities) in lieu of any overtime pay. This provision strikes out 15 percent as the maximum, and inserts the maximum as 25 percent.

Section 218 is a standard provision for retroactive compensation.

Section 219 amends the 1964 Salary Act to increase the salaries of the General Counsel of the General Accounting Office, the Librarian of Congress, the Public Printer, and the Architect of the Capitol from \$27,000 to \$28,000; the salaries of the Deputy Librarian of Congress, the Deputy Public Printer, and the Assistant Architect of the Capitol from \$25,500 to \$27,250; and the salary of the second Assistant Architect of the Capitol from \$23,500 to \$25,000.

Section 219(b) limits the salaries of employees in the legislative branch to not more than \$27,055 if they are paid in accordance with the general schedule.

Section 220 provides effective dates.

Section 221 relates to the employment of relatives of public officials, which has been explained in the context of this report.

Section 222 relates to travel pay for postal and classified employees, which has been explained in the context of this report.

Section 223 relates to appeals to the Civil Service Commission by wage board employees in job classification cases, which has been explained in the context of this report.

Section 224(a) is a technical amendment to title 5, United States Code.

Section 224(b) amends the Civil Service retirement provisions of title 5 regarding the annuity of certain retired Members of Congress, which has been explained in the context of this report. Section 224 also permits payment of the additional annuity.

Section 224(c) increases the office allowance of former Presidents, which has been explained in the context of the report.

TITLE III

PROHIBITION OF PANDERING ADVERTISEMENTS

This title gives to each mail recipient the means to prevent the repeated mailing to him of advertisements that offer for sale matter which in the sole discretion of the recipient is erotically arousing or sexually provocative. The committee version of this title is exactly the same as that which passed the House of Representatives.

Hundreds of thousands of complaints are received annually by the Post Office Department and individual Members of Congress about the repeated receipt of unsolicited mail which is obscene, obnoxious, or otherwise offensive to the recipient. Although existing law prohibits the mailing of "hard core" pornography, the definition of what constitutes such pornography has been construed so narrowly by the courts as to render the law virtually meaningless in terms of providing any effective dilution of the amount of mail matter that offends the sensibilities of most citizens. The committee does not quarrel with these decisions, because they are based on a fundamental and revered constitutional right, freedom of speech. The committee agrees that any governmental attempt at censorship should be strictly limited.

The committee is, however, convinced there is an equally important right which each citizen has under the Constitution, the right of privacy, which is also entitled to protection. The committee believes that the House provision has struck a proper balance between an individual citizen's right to privacy in his home or other place of abode and the right of a citizen to utilize the U.S. mail for the expression of his ideas or for any other lawful purpose. The bill passed by the House was amended in one important respect from the bill reported by the House Post Office and Civil Service Committee. In the House committee bill, the Postmaster General was required to decide what was or was not pandering under the definition contained in the bill. On the floor of the House, Representative Waldie offered an amendment which

was adopted that provided that this determination shall be made solely by the mail recipient. This had the effect of taking the Postmaster General out of the role of censor and, in the opinion of this committee and the Justice Department, removed a grave constitutional defect from the bill. All the witnesses who testified before this committee agreed that the broader the coverage and the wider the extension to all types and classes of mail, the more solid was the constitutional foundation for the preventive procedure contained in the provision.

Under the provisions contained in title III, the individual citizen is made the sole judge of whether any advertisement he receives is a pandering advertisement; that is, one which offers for sale matter that to him is erotically arousing or sexually provocative, and whether he desires to receive any further mail from the sender of that advertisement, either addressed to him or to any minor child of his under the age of 19 years who resides with him. The provision does not and is not intended to prohibit such material from being sent through the mails, if the individual to whom it is addressed wishes to receive it. If the recipient does not want to receive such matter, the provision provides him with the means to close the doors of his home or other place of abode to it.

If a person receives an advertisement which contains an offer to sell matter which he, in his sole discretion, believes to be erotically arousing or sexually provocative, he may notify the Postmaster General of his determination. The Postmaster General is then required to issue an order to the sender directing him to refrain from sending any further mailings of any kind to such person. The provision provides for adequate notice to the sender and for an opportunity to be heard, if requested. If a sender continues to send mail to a person in violation of the order issued by the Postmaster General, an order may be obtained from an appropriate Federal district court, upon application by the Attorney General, for a court order commanding compliance with the provisions of this title. A failure to observe the district court order may be punished by the court as contempt.

The committee believes the provisions of title III treat equally important, although sometimes conflicting, rights guaranteed by the Constitution in as fair and equitable a manner as possible. The Government should not restrict the right of free speech. At the same time, it should not act as the instrumentality by which unwanted and unsolicited mail matter is forced upon an unwilling citizen. The committee is convinced that no user of the mail has the right to force upon an unwilling recipient the type of mail matter covered by title III and that the U.S. post office is not required to act as the instrumentality by which a mail user, over the objection of the recipient, invades the home and mailbox of a citizen.

SECTIONAL ANALYSIS OF TITLE III

Section 301. Pandering advertisements

Subsection (a) adds a new section 4009 to chapter 51 of title 39, United States Code. This section recognizes the right of person to be protected from the invasion of his house or other premises through the

mails by those who appear to him to be deliberately subjecting him to pandering advertising contrary to his will.

Section 4009 would provide a means for protecting members of the public from pandering advertisements that offer for sale matter which the respective addressees believe to be erotically arousing or sexually provocative.

Subsections (a) and (b) provide that the addressee shall determine in his sole discretion whether advertisements he receives offer for sale matter that is erotically arousing or sexually provocative to him. When he communicates this determination to the Postmaster General with a request that the Postmaster General direct the sender and his agents or assigns to refrain from further mailings to the named addressee, the Postmaster General is required to issue an order to the mailer of the advertisement as provided in subsection (c).

Subsection (c) describes the terms of the order to be issued by the Postmaster General. The order shall provide that the sender and his agents and assigns (i.e., business successors) shall refrain within 30 days of the receipt of the order from any further mailings to the designated addressee, shall delete the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns, and shall refrain from the sale, rental, exchange, or any other transaction involving mailing lists bearing the names of the designated addressees. The mailer is prohibited not only from sending advertisements to the proscribed name but from sending any mail matter of any class or kind.

Subsection (d) provides for the procedures to be followed by the Postmaster General when he believes an order issued under this section has been violated. In such a case he is to notify the sender by registered or certified mail of his belief and the reasons therefor and grant an opportunity to the sender to respond and to have a hearing on the facts.

If after consideration of the sender's response and the evidence brought out in any hearing, the Postmaster General determines that his order has been or is being violated, he is authorized through the Attorney General to seek an order from the appropriate U.S. district court directing compliance with his order issued under subsection (b).

Subsection (e) grants authority to the appropriate U.S. district courts to issue orders pursuant to this section, including orders imposing punishment for contempt of court.

Subsection (f) provides that receipt of mail matter 30 days or later after the effective date of the order under subsection (b) shall create a rebuttable presumption that the mail was sent after the effective date.

Subsection (g) provides that an addressee may require the Postmaster General to include the names of any of his minor children below age 19 and living at home within the terms of an order issued under subsection (b).

Subsection (h) provides an exception from the hearing procedures and the judicial review provisions of the Administrative Procedure Act. Administrative action under this section, of course, must conform to constitutional standards.

Subsection (i) contains appropriate definitions.

Section 302. Effective date

Section 302 makes the provisions of this title effective 120 days after enactment.

TITLE IV

FEDERAL EMPLOYEES GROUP LIFE INSURANCE

Title IV accomplishes four important objectives. It increases the amounts of group life insurance (and accidental death and dismemberment insurance) which the Government will help employees finance; raises the now unrealistic and discriminatory maximum imposed by present law on the amount of insurance made available under the program; places the program on a sound actuarial basis; and establishes a new optional insurance program for employees who wish to purchase additional protection with their own funds.

The life insurance program has not been significantly changed since its establishment in 1954. It has not kept pace with developments in the private sector or in many other public jurisdictions. Industry in particular has forged far ahead of Government in providing life insurance protection for its employees, both with respect to amounts of insurance and with respect to employer contributions. During the 89th Congress, and again this year, the Senate Committee on Post Office and Civil Service developed legislation designed to correct these deficiencies and to modernize the program. On two occasions, both Houses of Congress passed such legislation, only to have it vetoed. Both Presidential messages cited cost considerations as a major reason for veto. The present measure meets that objection by holding the added Government cost to \$35.4 million a year, \$26 million below that of the bill vetoed last August.

In addition to paring costs to the bone, this measure incorporates the suggestions in the President's last veto message that additional optional insurance be made available on an employee-pay-all basis; provides a minimum policy of \$10,000 for younger and lower paid employees whose ability to pay for private insurance is severely limited; allows higher paid employees, whose comparability lag is greatest, to have group insurance protection in amounts more closely approximating their salaries; guarantees all employees at least \$2,000 added protection; improves financing of the program; and holds the increase in contribution rates to a very modest amount.

REGULAR INSURANCE

The present group life insurance program is built on principles of (1) insurance directly related to annual pay during active service; (2) continuation of insurance, in reduced amounts, after retirement; and (3) cost sharing between employer and employee. H.R. 7977 preserves and strengthens those principles.

The present program provides regular term life insurance and an equal amount of accidental death and dismemberment insurance. Employees are automatically covered for both types of insurance on the first day of employment unless they specifically decline coverage (only 5 percent do). Accidental death and dismemberment insurance ceases upon retirement. Life insurance continues, free of charge, for em-

ployees retiring on immediate annuity after 12 years of service or because of disability. The amount of insurance in force reduces at the rate of 2 percent each month after age 65 (or date of retirement, if later) until it reaches 25 percent of the amount in effect at the time of retirement. These features of the program remain unchanged.

The present program provides each type of insurance in an amount equal to the employee's current annual salary or, if that salary is not an even multiple of \$1,000, the next higher \$1,000. The maximum amount of insurance is \$20,000 (\$40,000 for accidental death). The committee is convinced that these provisions yield too little protection to employees all along the line. Most plans in the private sector provide insurance in amounts equal to 1½ to 2 times annual salary; a few provide 3 times annual salary, or even more. Title IV goes part of the way toward correcting the deficiency in the Government's program by setting \$10,000 as the minimum coverage; by raising to executive level II (currently \$30,000) the maximum salary on which insurance is based; and by guaranteeing at least a \$2,000 increase in the regular life insurance of all insured employees. It thus raises the floor of protection offered under the program, and provides increased coverage for all employees. It fixes a ceiling which recognizes the President's objection to large increases at Government expense, for officials whom he identified as being in the highest bracket and least in need of increased life insurance coverage at the taxpayers' expense.

COST OF REGULAR INSURANCE

At present, the employee pays 25 cents, and his agency 12½ cents, biweekly for each \$1,000 of life insurance coverage. The 25-cent contribution rate is specifically established in present law as the maximum for employees, and Government's rate is set at one-half that of employees. At the time the program was established 13 years ago, these amounts were believed adequate to cover the level cost of the insurance. In actual experience, they have not proved to be adequate. The most recent actuarial valuation of the program shows that the present actual biweekly cost per \$1,000 is 45.5 cents, 8 cents below the amount being contributed. Improved financing of the program is therefore imperative. H.R. 7977 will resolve this problem by repealing the present 25 cents per \$1,000 limitation on the employee's contribution; by requiring that the combined employee-agency contribution cover the full cost of the insurance; and by authorizing the Commission to adjust the contribution rate as required to accomplish that purpose. The present 2-to-1 cost-sharing ratio is preserved.

The Commission estimates the biweekly cost of the new regular insurance benefit at 41.5 cents per \$1,000. At this rate, the employee's biweekly contribution will be 27.5 cents, and Government's contribution will approximate 14 cents per \$1,000. The Commission may adjust these contributions from time to time as required to assure that they fully cover actual cost, but it must preserve the present cost-sharing ratio.

The Civil Service Commission estimates the annual cost of this bill's provisions with respect to the regular insurance program at \$106.1 million, as follows:

Full financing of the program will cost \$40.1 million more (\$13.4 million for Government and \$26.7 million for employees).

The \$10,000 minimum and the added \$2,000 unit will cost \$65.6 million more (\$21.9 million for Government and \$43.7 million for employees).

Raising the salary base to executive level II for insurance purposes will cost \$400,000 more (\$100,000 for Government and \$300,000 for employees).

The total annual increase in Government cost is \$35.4 million.

OPTIONAL INSURANCE

The optional insurance is a new feature added to the program. It directs the Civil Service Commission to make up to \$10,000 additional insurance available, on an optional basis, to those employees who wish to purchase it at their own expense. This additional optional insurance will be provided by the insurance industry in the same manner as is the regular insurance; will continue into retirement the same as regular insurance, if purchased at the first opportunity or in force for 12 years immediately preceding retirement; will reduce 2 percent a month, down to 25 percent, beginning at retirement or age 65, whichever is later; will include an equal amount of accidental death and dismemberment protection up to the time of retirement but not thereafter; and will be paid for through deductions from the employee's salary or annuity. Thus additional protection will be available to those who desire it, but no part of its premium cost will be covered by the taxpayer.

Unlike the regular insurance, the premium rates for this optional insurance will be established by age groups, with each employee's rate increasing as he moves into the next higher age group, and premiums will be payable to age 65 even though the employee retires earlier. The Commission estimates the initial biweekly premium rates per \$1,000 of optional insurance at 30 cents through age 34; at 60 cents for ages 35 through 54; and at \$2 for ages 55 and over. These rates would later be adjusted as required by actual experience of the group electing the additional optional insurance.

SECTIONAL ANALYSIS OF TITLE IV

Section 401 increases the life insurance available to all employees by providing the larger of a \$10,000 minimum policy or a policy in the amount of the employee's annual salary, rounded to the next higher \$1,000, plus \$2,000. The maximum of \$32,000 that will be currently available under this formula will be automatically raised to correspond with future increases in level II of the executive pay schedule.

Section 402 requires that the premium contribution rate cover the actual level cost of the insurance and provides that the rate be adjusted by the Commission as necessary to meet changes in such cost. This section also repeals the present 25 cents per \$1,000 limitation on the biweekly contribution rate of employees.

Section 403 sets Government's share of the cost at one-half that withheld from the employee.

Section 404 adds a new provision authorizing the Commission to obtain and make available to insured employees, for purchase at their

own option and their own expense, additional life insurance in amounts to be determined by the Commission but not to exceed \$10,000. The employee or annuitant will pay the full cost of any such optional insurance through deductions from salary or annuity. Rates for this insurance will be established by age groups, with each employee's rate increasing as he moves into the next higher age group, and will be payable to retirement or to age 65, whichever is later. Insurance may continue into retirement the same as regular insurance (except with respect to contributions), if purchased at the first opportunity or in force for 12 years immediately preceding retirement, and will reduce at the same rate and to the same percentage level as does regular insurance. Accidental death and dismemberment protection will continue to the time of retirement but not thereafter.

Section 405 makes changes in the regular insurance program effective approximately 60 days after enactment and changes in the optional insurance program effective within approximately 180 days after enactment. The provisions are not retroactive and will not affect any employees who resign, retire, or die prior to the date of enactment. However, insured employees who resign, retire, or die between the date of enactment and the effective date are protected with respect to the additional regular insurance, without payment of additional premiums.

Section 406 makes the life insurance fund available without limitation for expenses incurred by the Commission in carrying out the new optional insurance provisions.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

TITLE 39, UNITED STATES CODE

CHAPTER 27.—POSTAL POLICY AND FISCAL REPORTS

POSTAL POLICY

* * * * *

§ 2303. Identification of public services and costs thereof

(a) The following shall be considered to be public services for the purposes of sections 2301–2305 of this title—

(1) The total loss resulting from the transmission of matter in the mails free of postage or at reduced rates of postage as provided by statute, including the following:

[(A) reduced rates for certain publications as provided by section 4359 of this title;]

* * * * *

(D) free postage [and reduced postage rates] on reading matter and other articles for the blind *and other handicapped persons* as provided by sections 4653 and 4654 of this title;

* * * * *

(I) reduced postage rates on books, films, and similar [educational] material as provided by section 4554 of this title.

* * * * *

CHAPTER 43.—APPOINTMENT AND ASSIGNMENT OF FIELD SERVICE EMPLOYEES

* * * * *

§ 3301. Personnel requirements

The Postmaster General shall determine the personnel requirements of the postal field service, and fix the number of supervisors and other employees in that service, except that there may not be at any one time more than one assistant postmaster employed at any post office or a total of 55 employees assigned to salary levels [19 and 20] *20 and 21* in the postal field service.

* * * * *

CHAPTER 45.—COMPENSATION IN THE POSTAL FIELD SERVICE

POSITIONS

Sec.

- 3501. Ranking of positions.
- 3502. Appeals to Civil Service Commission.
- 3511. Key positions.
- 3512. Positions in salary level 1.
- 3512A. *Positions in salary level 2.*
- 3513. Positions in salary level [2] 3.
- 3514. Positions in salary level [3] 4.
- 3515. Positions in salary level [4] 5.
- 3516. Positions in salary level [5] 6.
- 3517. Positions in salary level [6] 7.
- 3518. Positions in salary level [7] 8.
- 3519. Positions in salary level [8] 9.
- 3520. Positions in salary level [9] 10.
- 3521. Positions in salary level [10] 11.
- 3522. Positions in salary level [11] 12.
- 3523. Positions in salary level [12] 13.
- 3524. Positions in salary level [13] 14.
- 3525. Positions in salary level [14] 15.
- 3526. Positions in salary level [15] 16.
- 3527. Positions in salary level [16] 17.
- 3528. Positions in salary level [17] 18.
- 3529. Positions in salary level [18] 19.
- 3530. Positions in salary level [19] 20.
- 3531. Positions in salary level [20] 21.

COMPENSATION AND ALLOWANCES

- 3541. Pay periods and computation of rates.
- 3542. Postal Field Service Schedule.
- 3543. Rural Carrier Schedule.
- [3544. Fourth Class Office Schedule.]
- 3544. *Compensation of postmasters at fourth-class offices.*

SALARY STEPS AND PROMOTIONS

- 3551. Appointments to positions in the postal field service.
- 3552. Automatic advancement by step-increases.
- 3553. Creditable service for advancement.
- 3554. Compensation of certain temporary employees.
- 3555. Reduction in salary step.
- 3556. Automatic advancement withheld.
- 3557. Automatic advancement of substitute employee deferred.
- 3559. Promotions.
- 3560. Salary protection.

HOURS OF WORK AND OVERTIME

- 3571. Maximum hours of work.
- 3572. Minimum hours of work for hourly rate employees.
- 3573. Compensatory time, overtime, and holidays.
- 3574. Night work.
- 3575. Exemptions.
- 3576. Holiday service of rural carriers and employees assigned to road duty.
- 3577. Workweek of postmasters in post offices of the first, second, and third classes.

SPECIAL PROVISIONS FOR POSTAL TRANSPORTATION AND MOTOR VEHICLE SERVICES

- 3581. Road duty employees.
- 3582. Time credit for delay to trains and highway post offices.

* * * * *

[§ 3512. Positions in salary level 1.**[Janitor. (KP-1).**

[(1) Basic function.—Cleans, sweeps, and removes trash from work areas, lobbies, and washrooms.

[(2) Duties and responsibilities.—

[(A) Sweeps and scrubs floors and stairs, dusts furniture and fixtures, cleans washrooms and washes windows (except exterior glass in high buildings).

[(B) Moves furniture and helps erect equipment and fixtures within offices of the building.

[(C) In addition, may perform any of the following duties:

[(i) cleans ice and snow from the sidewalks and driveways, and tends the lawn, shrubbery, and premises of the post office;

[(ii) washes walls and ceilings.

[(3) Organizational relationships.—Reports to a foreman or other designated supervisor.]

§ 3512. Positions in salary level 1**Cleaner. (KP-51)**

(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

(2) Duties and responsibilities.—

(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs,

emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

§ 3512A. Positions in salary level 2

Custodian. (KP-1)

(1) **Basic function.**—Performs manual laboring duties in connection with custody of an office or building.

(2) **Duties and responsibilities.**—

(A) *Performs any combination of the following duties:*

1. *Moves furniture and equipment.*
2. *Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.*
3. *Loads and unloads supplies and equipment.*
4. *Removes trash from work areas, lobbies, and washrooms.*
5. *Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.*
6. *Stacks supplies in storage rooms and on shelves, and completes forms or records as required.*

(B) *May perform cleaning duties as assigned.*

(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

§ 3513. Positions in salary level [2] 3.

(a) Elevator Operator. (KP-2).

(1) **Basic function.**—Operates a freight or passenger elevator.

(2) **Duties and responsibilities.**—

(A) *Operates elevator.*

(B) *Cleans cab of elevator and polishes metal fittings.*

(C) *In addition, may perform any of the following duties:*

- (i) *pushes handcars of mail on and off elevator or assists in loading or unloading material carried on elevator;*
- (ii) *tends the heating plant or performs cleaning duties in the vicinity of the elevator.*

(3) **Organizational relationships.**—Reports to an elevator starter or other designated supervisor.

(b) Order Filler. (KP-3).

(1) **Basic function.**—Selects, assembles, and makes ready for shipment items requisitioned by postal field establishments.

(2) **Duties and responsibilities.**—

Is assigned any of the following duties:

(A) *Separate sheets of the requisition form, fastens copies to clipboards and places on appropriate conveyor line.*

(B) *Clarifies writing on carbon copies of requisitions in order to minimize errors in filling requisitions.*

(C) *Sets up and prepares shipping containers.*

(D) *Places in cartons on conveyor lines the quantities of items requisitioned from an assigned station, indicating action taken opposite each item.*

(E) *Fills and labels bulk shipping orders and moves bulk material to dispatch area.*

(F) Replenishes from stock items stored in individual stations and keeps stations neat and orderly to facilitate filling of requisitions.

(G) Transports bulk and individual shipments on hand trucks.

(H) Assembles materials for each requisition where conveyor lines converge.

(I) Places cartons on assembly table for coordination and packing.

(J) Checks requisition copies and items to assure that proper action has been taken.

(K) Directs items not requiring packing to dispatch area.

(L) Combines shipments to reduce packing.

(M) Transmits bulk slips and shipping labels to the appropriate person.

(N) Labels bulk and individual packages with printed labels to avoid hand labeling.

(O) Prepares labels by use of appropriate rubber stamps.

(P) Seals cartons with stapling machine or tape.

(Q) Packs supplies for shipment.

(R) Stacks and trucks completed orders.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(c) Post Office clerk. (KP-4).

(1) Basic function.—Sorts incoming and dispatches outgoing mail for a small number of points of separation and destination; provides a limited number of services at public windows. This office has fewer than 190 revenue units annually.

(2) Duties and responsibilities.—

(A) Sorts incoming mail for general delivery, lock boxes, and one or more delivery routes.

(B) Postmarks and prepares mail for dispatch by train or other mail route; closes, locks, and affixes labels to pouches and mail sacks.

§ 3514. Positions in salary level [3] 4.

(a) Guard. (KP-5).

(1) Basic function.—Makes rounds of the post office building, and punches clocks at designated stations.

(2) Duties and responsibilities.—

(A) Patrols buildings, punching watchman's clock where furnished, checking door and window locks, noting and reporting fire hazards and other irregularities, such as running water and unclosed doors and windows.

(B) Sounds fire alarm.

(C) Preserves order in corridors and, when necessary, detains persons for interrogation by post-office inspectors or local police.

(D) In addition may perform any of the following duties:

(i) Gives directions to the public in building lobby.

(ii) Raises and lowers the flag.

(iii) Retrieves lost and found articles and delivers them to the appropriate place.

(iv) Obtains names of victims, doctors, police, and witnesses in the event of accident.

(v) Guards property entrances and prevents damage to property by the public.

(vi) Tends the heating plant of the building.

(vii) Operates elevators on a relief basis.

(viii) Does incidental cleaning and laboring work.

(3) Organizational relationships.—Reports to a lieutenant of the guard, a building superintendent, or other designated supervisor.

(b) File Clerk. (KP-6).

(1) Basic function.—Sets up and maintains files on one or more subject matters.

(2) Duties and responsibilities.—

(A) Prepares new file folders and maintains existing folders in correct order as prescribed in the established filing system.

(B) Transmits folders or information contained therein to authorized personnel (for example, forwards personnel folders to requesting supervisors, or copies data from folders to satisfy requests).

(C) Opens, sorts, and searches file material, and maintains files in up-to-date condition.

(D) In addition, may perform any of the following duties:

(i) Types from rough draft or plain copy.

(ii) Answers the telephone.

(iii) Prepares requisitions for supplies.

(iv) Operates a mimeograph machine.

(3) Organizational relationships.—Reports to a designated supervisor.

(c) Typist. (KP-7).

(1) Basic function.—Types material such as forms, correspondence, and stencils from rough draft or plain copy.

(2) Duties and responsibilities.—

(A) In accordance with instructions and information furnished by supervisors, types forms, standard reports, and documents such as invitations to bid, orders, contracts, invoices, personnel actions and related materials.

(B) Types correspondence and memoranda from rough drafts or general information.

(C) Cuts stencils for instructions, circulars, and other general uses.

(D) In addition, may perform any of the following duties:

(i) Transcribes from a dictating machine.

(ii) Operates a mimeograph machine.

(iii) Files, checks requisitions, prepares vouchers, and answers the telephone.

(3) Organizational relationships.—Reports to a designated supervisor.

(d) Mail Handler. (KP-8).

(1) Basic function.—Loads, unloads, and moves bulk mail, and performs other duties incidental to the movement and processing of mail.

(2) Duties and responsibilities.—

(A) Unloads mail received by trucks. Separates all mail received by trucks and conveyors for subsequent dispatch to other conveying units, and separates and delivers working mails for delivery to distribution areas.

(B) Places empty sacks or pouches on racks, labels them where labels are prearranged or racks are plainly marked, dumps mail from sacks, cuts, ties, faces letter mail, carries mail to distributors for processing, places processed mail into sacks, removes filled sacks and pouches from racks, closes and locks same. Picks up sacks, pouches and outside pieces, separates outgoing bulk mails for dispatch and loads mail onto trucks.

(C) Handles and sacks empty equipment, inspects empty equipment for mail content, restrings sacks.

(D) Cancels stamps on parcel post, operates canceling machines, carries mail from canceling machine to distribution cases.

(E) Assists in supply and slip rooms and operates addressograph, mimeograph, and similar machines.

(F) In addition, may perform any of the following duties:

(i) Acts as armed guard for valuable registry shipments and as watchman and guard around post office building.

(ii) Makes occasional simple distribution of parcel post mail requiring no scheme knowledge.

(iii) Operates electric fork-lift trucks.

(iv) Rewraps soiled broken parcels.

(v) Performs other miscellaneous duties, such as stamping tickets, weighing incoming sacks, cleaning and sweeping in workrooms, offices, and trucks where such work is not performed by regular cleaners.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(e) Garageman. (KP-9).

(1) Basic function.—Performs a variety of routine services incidental to the proper maintenance of motor vehicles.

(2) Duties and responsibilities.—

(A) Lubricates trucks in accordance with lubrication charts and type of truck.

(B) Changes crankcase oil and filter cleaners and cleans case in conformance with instructions and vehicle mileage.

(C) Changes tires and makes necessary repairs.

(D) Washes and steam-cleans trucks.

(E) Assists automotive mechanics.

(F) Fuels and oils trucks.

(G) Cleans garage, garage office, swing room, and washroom, as assigned.

(3) Organizational relationships.—Reports to a foreman of mechanics or other designated supervisor.

§ 3515. Positions in salary level [4] 5.

(a) Motor Vehicle Operator. (KP-10).

(1) Basic function.—Operates a mail truck on a regularly scheduled route to pick up and transport mail in bulk.

(2) Duties and responsibilities.—

(A) Picks up and delivers bulk quantities of mail at stations, branch offices, and terminal points; as required, picks up mail from collection boxes and deposits mail in relay boxes.

(B) Operates truck in conformity with time schedules and rules of safety, and in accordance with instructions regarding the route for which responsible.

(C) Ascertains the condition of the truck prior to leaving and upon returning to the garage; reports all accidents, mechanical defects noted, and mechanical failures while on route.

(D) In addition, may perform any of the following duties:

(i) Drives a tractor and semitrailer on occasion, unloading bagged mail and packages at post offices and picking up mail for delivery to a central point.

(ii) Prepares daily trip reports showing work performed.

(iii) Makes minor mechanical repairs to truck in emergencies while on route.

(3) Organizational relationships.—Reports to a superintendent of motor vehicles or other designated supervisor.

(b) City or Special Carrier or Special Delivery Messenger. (KP-11).

(1) Basic function.—Is responsible for the prompt and efficient delivery and collection of mail on foot or by vehicle under varying conditions in a prescribed area within a city. As a representative of the postal service, maintains pleasant and effective public relations with route patrons and others, requiring a general familiarity with postal laws, regulations, and procedures commonly used, and with the geography of the city.

(2) Duties and responsibilities.—

(A) Routes or cases all classes of mail in sequence of delivery along an established route. Rearranges and relabels cases as required by route adjustments and changes in deliveries.

(B) Withdraws mail from the distribution case and prepares it in sequence for efficient delivery by himself or a substitute along an established route. Prepares and separates all classes of mail to be carried by truck to relay boxes along route for subsequent delivery.

(C) Enters change of address orders in change of address book and on appropriate form. Readdresses mail to be forwarded and marks for appropriate handling other mail addressed to route patrons who have moved. Sorts such mail into throw-back case for convenient handling by clerks.

(D) Delivers mail along a prescribed route, on a regular schedule, picking up additional mail from relay boxes. Collects mail from street letter boxes and accepts letters for mailing from patrons. Such service may be rendered on foot or by vehicle and in some instances may consist exclusively of parcel post delivery or collection of mail.

(E) Delivers and collects charges on customs, postage-due, and c.o.d. mail matter. Delivers and obtains receipts for registered and certain insured mail. Receipts for such matter, except insured mail, at the post office before beginning route and accounts for it upon return by payments of the amounts collected and delivery of receipts taken.

(F) Deposits mail collected in the post office upon return from route; faces such mail for stamp cancellation.

(G) Checks, and corrects if necessary, mailing cards presented by advertisers bearing names and addresses of patrons or former patrons of the route.

(H) Furnishes patrons with postal information when requested, and provides change of address cards and other postal forms as requested.

(I) Reports to supervisor all unusual incidents or conditions relating to mail delivery, including condition of street letter boxes and timecards.

(J) Regular city carriers assigned to foot delivery routes are required to become proficient in the casing of mail on at least one other foot delivery route.

(K) Substitute city carriers may be assigned to perform clerical duties and may be required to pass examinations on schemes of city primary distribution.

(L) Special delivery carriers and special delivery messengers receive special delivery mail for delivery and sign c.o.d. and registered items at post office before beginning route; delivery on foot and by vehicle special delivery mail to patrons; obtain signatures when required; collect amounts and fees on c.o.d.'s; in case of absent patrons, exercise judgment in determining whether to leave mail or leave notice and return mail to post office; return receipts and moneys collected to authorized personnel at post office.

(M) In addition, may perform any of the following duties:

(i) Checks hotels and other such establishments to insure that mail for residents undeliverable as addressed is not improperly held.

(ii) Delivers stamps or other paper supplies to contract or classified stations.

(iii) Serves at carriers' delivery window.

(iv) Receives and registers, where practical, all letters and packages of first class mail properly offered for registration and gives receipt therefor.

(v) Makes delivery on other routes as assigned.

(3) Organizational relationships.—Reports to a postmaster or assistant postmaster, or other designated supervisor.

(c) Distribution Clerk. (KP-12).

(1) Basic function.—Separates mail in a post office, terminal, airmail field, or other postal facility in accordance with established schemes, including incoming or outgoing mail or both.

(2) Duties and responsibilities.—

(A) Makes primary and one or more secondary distributions of incoming mail by delivery point (for example, classified or contract station or branch or other delivery unit, general delivery, lockboxes, rural or star route, or city carrier route) based on a knowledge of the distribution scheme established for that office.

(B) Makes primary and one or more secondary distributions of outgoing mail for dispatch (for example, by city, State, region, train, highway or railway post office, or airmail flight) based on a

knowledge of the distribution scheme prescribed by the Postal Transportation Service.

(C) In addition, may perform any of the following duties:

- (i) Maintains records of mails.
- (ii) Examines balances in advance deposit accounts.
- (iii) Faces and cancels mail.
- (iv) Ties mail and inserts facing slips.
- (v) Opens and dumps pouches and sacks.
- (vi) Operates canceling machines.
- (vii) Records and bills mail (for example, c.o.d., registered, and so forth) requiring special services.
- (viii) Renders service at public windows.

(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

(d) Window Clerk. (KP-13).

(1) Basic function.—Performs a variety of services at a public window of a post office or post office branch or station. As a representative of the postal service, maintains pleasant and effective public relations with patrons and others requiring a general familiarity with postal laws, regulations, and procedures commonly used.

(2) Duties and responsibilities.—

(A) Sells postage stamps, stamped paper, cards, internal revenue stamps, migratory bird stamps, and postal savings stamps and certificates.

(B) Accepts from and, after proper identification, delivers to patrons parcel post, insured, c.o.d., and registered mail; makes collection of required postage, issues necessary receipts, and issues general-delivery mail to patrons.

(C) Verifies second-, third-, and fourth-class mailings, computing and maintaining on a current basis mailers' credit balances.

(D) Assigns special delivery and registered mail for delivery.

(E) Checks and sets post office stamp-vending machines, postage meters, and large mailers' stamp permit meters.

(F) Receives, follows up, and recommends action on patrons' claims and complaints.

(G) Issues and cashes foreign and domestic money orders and postal savings certificates.

(H) Rents post-office boxes, receives rental payments, conducts reference checks, and completes related forms.

(I) Provides information to the public concerning postal regulations, mailing restrictions, rates, and other matters involving postal transactions.

(J) In addition, may perform any of the following duties:

- (i) Makes emergency carrier relays.
- (ii) Assists in alien registration and census matters.
- (iii) Separates and distributes mail.

(3) Organizational relationships.—Reports to a postmaster, assistant postmaster, or other designated supervisor.

§ 3516. Positions in salary level [5] 6.

(a) Automotive Mechanic. (KP-14).

(1) Basic function.—Repairs mail trucks, including the removal and installation of complete motors, clutches, transmissions, and other major component parts.

(2) Duties and responsibilities.—

(A) Diagnoses mechanical and operating difficulties of vehicles, repairing defects, replacing worn or broken parts.

(B) Adjusts and tunes up engines, cleaning fuel pumps, carburetors, and radiators; regulates timing, and makes other necessary adjustments to maintain in proper operating condition trucks that are in service.

(C) Repairs or replaces automotive electrical equipment such as generators, starters, ignition systems, distributors, and wiring; installs and sets new spark plugs.

(D) Conducts road tests of vehicles after repairs, noting performance of engine, clutch, transmission, brakes, and other parts.

(E) Operates standard types of modern garage testing equipment.

(F) In addition, may perform any of the following duties:

(i) Removes, disassembles, reassembles, and installs entire engines.

(ii) Overhauls transmission, rear end assemblies, and braking systems.

(iii) Straightens frames and axles, welding broken parts where required.

(iv) Makes road calls to make emergency repairs.

(v) Makes required truck inspections.

(3) Organizational relationships.—Reports to a foreman of mechanics or other designated supervisor.

(b) Transfer Clerk. (KP-15).

(1) Basic function.—Arranges for transfer of mail at junction points between trains and other mail units and observes the separation, loading and unloading of mail by railroad employees to make certain that this is done properly.

(2) Duties and responsibilities.—

(A) Provides for the most expeditious transfer of mail from observations of the operation of trains, star route, or mail messenger vehicles. Government-owned vehicles and platform vehicles.

(B) Examines outgoing and incoming cars to determine maximum utilization of space and proper adherence to railroad safety requirements; reports findings, when necessary, to the district superintendent.

(C) Decides whether outbound cars in full authorizations should be held beyond the first available dispatches in order to obtain fuller loading and maximum utilization of the space paid for, making certain that this will not unduly delay the arrival of the mail at destination.

(D) Studies the routing and loading of mail dispatched from his station in storage cars in order to recommend changes which would bring about economies in line haul and terminal charges and effect earlier arrival. Gives similar attention to incoming mail to assure that dispatching divisions are using best routing and loading methods; reports facts to the district superintendent.

(E) Maintains close liaison with foremen of appropriate incoming and outgoing trains and vehicles to assure prompt receipt and expeditious dispatch of mail.

(F) Keeps informed on local holding orders for each outgoing dispatch and requests that departure of unit within these limitations be withheld when scheduled connections are delayed.

(G) Prepares list of railroad cars (except railway post office cars) in which mail is loaded, and maintains record of mail loaded and unloaded in outgoing and incoming trains. Serves notice on railroad company to cancel operation and purchases lesser storage unit in its place when necessary. Prepares official diagram and appropriately labels outgoing cars to indicate destination or next relay point.

(H) Inspects the loading and unloading of storage mail to secure individual piece count of lesser storage units (thirty feet and less); estimates volume when more than thirty feet.

(I) Observes and reports to designated supervisor any failure of the railroad company to afford protection for the mail.

(J) Qualifies periodically through examination on knowledge of distributing schemes, postal regulations, space rules, and train connections.

(K) In addition, may perform any of the following rules:

(i) Receipts for, transfers, and delivers registered mail between trains or between train and post office.

(ii) Distributes mail prescribed for distribution in transfer office.

(3) Organizational relationships—Reports to a foreman or other designated supervisor.

(c) Distribution Clerk, R.P.O. or H.P.O. (KP-16).

(1) Basic function.—Distributes mail in railway or highway post office prior to departure and while en route.

(2) Duties and responsibilities.—

(A) Determines the fastest or most expeditious dispatch of mail from the standpoint of assignment. In emergencies, such as floods, storms, wrecks, strikes, and missed connections, redistributes the mail so as to reach destination by the most expeditious alternative means, for example, by other railway post office or highway post office, airmail route, or star route.

(B) Distributes mail rapidly into letter case or pouches and sacks.

(C) Hangs pouches and sacks in racks and places labels in holders provided; labels letter cases in accordance with official diagram.

(D) Prepares mail for dispatch, involving labeling and tying of letter mail in packages for distribution in pouches, closing and locking sacks and pouches, and maintenance of proper separations for connections en route.

(E) In addition, may perform any of the following duties:

(i) Receives and dispatches mail en route.

(ii) Unloads mail and equipment at terminal of run.

(iii) Examines car to ascertain that no mail is left.

(iv) Convoys registered mail to post office and connecting lines.

(F) Qualifies through examination periodically on knowledge of distributing schemes, postal regulations, space rules, and train schedules.

(3) Organizational relationships.—Reports to a foreman in charge of the railway post office car or highway post office.

(d) Claims Clerk, Paying Office. (KP-17).

(1) Basic functions.—Examines claims for loss or damage of insured or c.o.d. mail and determines and approves for payment the amount found to be due under postal regulations.

(2) Duties and responsibilities.—

(A) Receives and reviews prescribed claim papers to ascertain whether:

(i) All necessary items of the appropriate claim form have been properly completed.

(ii) Proof of value has been properly determined.

(iii) Appropriate check has been made of applicable records.

(iv) Other necessary information has been supplied.

(B) Determines whether amount of claim exceeds amount of loss and the proper amount payable is within the limits of the indemnity.

(C) Conducts necessary correspondence in connection with the claim.

(D) Approves amount to be paid, and directs disposition of damaged articles.

(E) Maintains prescribed record of claims.

(3) Organizational relationships.—Reports to an assistant postmaster or other designated supervisor.

(e) Postmaster. (KP-18).

(1) Basic function.—Is responsible for all operations of a small post office, including actual performance of mail processing and window service, disbursement of funds and preparation of required reports. This office has no employees other than the postmaster and a replacement to serve during his leave; has approximately 40 revenue units annually; has no rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Conducts the activities of the office in such manner as to provide prompt and efficient postal service to the patrons of the office.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

(D) At a window delivers general delivery mail, issues and cashes money orders, delivers c.o.d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(E) Prepares and submits estimates of operating allowances as required.

(F) Makes deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills.

(G) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(H) Maintains files for the office.

(3) Organizational relationship.—Administratively responsible to a district manager.

§ 3517. Positions in salary level [6] 7.

(a) Claims Clerk, Common and Contract Carriers. (KP-19).

(1) Basic function.—Audits carriers' claims for the transportation of mail to insure their accuracy and correctness of form prior to certifying them for payment.

(2) Duties and responsibilities.—

(A) Checks original or draft of claims submitted by carriers using space procurement data, records of air carrier flights and weight allocations, reports of railroad space utilization, emergency space procured, and other pertinent reports and data submitted by the districts.

(B) Corrects errors in drafts of claims and returns them to the carrier for resubmission in final corrected form.

(C) Expedites the processing of claims by continuous coordination with the carriers to minimize the incidence of error on claims submitted.

(D) Rechecks resubmitted claims prior to certifying them for payment.

(E) Maintains records pertinent to carrier claims such as unscheduled air carrier flights, weight allocations for mail on flights of air carriers, and air line flight schedules.

(F) Accumulates data and prepares periodic and special reports on subjects related to the purchase and use of railroad space, and air carrier weight allocation.

(3) Organizational relationships.—Reports to the supervisor in charge of the fiscal section in a Postal Transportation Service division office or other designated supervisor.

(b) Postmaster. (KP-20).

(1) Basic function.—Is responsible for all operations of a post office, including actual performance of mail processing and window services, disbursement of funds and preparation of required reports. This office has one part time clerical employee; has approximately 110 revenue units annually; has no rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises and conducts the activities of the office in order to provide prompt and efficient postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations.

(D) Sorts incoming mail for boxholders and general delivery; faces, cancels, sorts by destination, ties and sacks outgoing mail.

(E) At a window delivers general delivery mail, issues and cashes money orders, delivers c.o.d. and customs mail, accepts and delivers parcel post, registered and insured mail, sells stamps and stamped paper, and collects box rents.

(F) Makes required deposits of accountable funds; requisitions stamps and stamped paper; requisitions supplies; pays authorized bills and makes salary disbursements.

(G) Prepares and submits annual estimates of manpower needs and operating allowances as required.

(H) Maintains required office records; prepares and submits necessary reports in accordance with instructions.

(I) Maintains files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3518. Positions in salary level [7] 8.

(a) Foreman, Mails. (KP-21).

(1) Basic function.—Supervises a group of employees engaged in carrying out assigned tasks connected with the processing of incoming or outgoing mail.

(2) Duties and responsibilities.—

(A) Lays out work for employees; insures attendance to duties and proper performance of assignments; shifts employees from one assignment to another to meet fluctuations in workload; answers questions respecting work progress.

(B) Trains new employees and provides continuous on-the-job training for all employees under his supervision.

(C) Reports unusual difficulties to a general foreman and suggests solutions. Personally resolves problems of a routine nature.

(D) Keeps required records for such matters as time, mail on hand, and mail processed.

(E) Recommends personnel actions respecting subordinates; maintains morale among the employees in the group; adjusts complaints; supplies leadership necessary to secure maximum interest and effort from men and promotes cooperation and harmony.

(3) Organizational relationships.—Administratively responsible to a general foreman or other designated superior. Supervises approximately twenty or more employees.

(b) Postmaster. (KP-22).

(1) Basic function.—Is responsible for all operations of a post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has two clerical employees and approximately 140 revenue units annually, and rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by the Department and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees and is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks

outgoing mail; performs general delivery window services; issues and cashes money orders; delivers c.o.d. and customs mails; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3519. Positions in salary level [8] 9.

(a) General Foreman.—R.P.O. (KP-23).

(1) Basic function.—Directs mail service operations in a railway post office train with two or more authorized cars. Supervises a crew of foremen and clerks whose primary function is the distribution and exchange of mails en route.

(2) Duties and responsibilities.—

(A) Provides for the proper distribution, exchange, and dispatch of mail regularly assigned for handling in the railway post office cars. Makes decisions concerning the most expeditious dispatch, rerouting and utilization of alternative connections involving irregularly received mail and also in emergency situations.

(B) Directs mail service operations in the railway post office train including:

(i) Rapid distribution of all classes of mail in accordance with official diagrams and via most advantageous routing.

(ii) Handling, recording, and protection of registered mails.

(iii) Makeup and exchange of mail at intermediate and terminal offices.

(iv) Proper utilization of space in each railway post office car with relation to other storage space in train and, except as charged to transfer clerks, for proper handling of all storage mail in train.

(v) Loading and unloading of railway post office cars to assure maximum use of available storage space without additional cost.

(vi) Proper usage of mail equipment and supplies.

(vii) Maintenance of distribution schemes and schedules of mail routes in corrected condition.

(C) Supervises the activities of foremen and clerks in the cars and reassigns them to various duties as may be required to complete maximum distribution. Instructs clerks on proper

practices and procedures and reports failures to meet operating standards to the district superintendent.

(D) Inspects condition of railway post office cars and reports to the railroad company unsatisfactory situations.

(E) Completes trip report form covering service operations, including particulars of train operation, roster of clerks on duty, mails received, worked, and dispatched, and mails not worked; prepares a list of all cars on train in which mail is carried, a record of the mail, and a report of any irregularities in service. Observes and reports to district superintendent any failure of the railroad company to afford protection to the mail.

(F) May personally distribute letter mail for one or more States, and maintain record of pouches received and dispatched.

(3) Organizational relationships.—Administratively responsible to a district superintendent or other designated superior. Directs, through one or more subordinate foremen, clerks assigned to the run.

(b) Assistant postmaster. (KP-24).

(1) Basic function.—Serves as the overall assistant to the postmaster, providing general direction and supervision over mails, finance, personnel, and other related activities. This office has approximately sixteen employees, approximately 1,490 revenue units annually, and eight carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate employees in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-25).

(1) Basic function.—Is responsible for all operations of a post office, including actual participation in processing of mail and window services, disbursement of funds and preparation of required reports. This office has approximately six employees, approximately 380 revenue units annually, and has rural delivery service within its jurisdiction.

(2) Duties and responsibilities.—

(A) Supervises and coordinates the activities of the office in order to provide expeditious handling of the mails, and efficient and courteous postal service to patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; selects personnel and trains them in their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees; is responsible for the administration of the Efficiency Appraisal System.

(E) Distributes incoming mail for carrier delivery, boxholders and general delivery; faces, cancels, distributes, ties and sacks outgoing mail; performs general delivery window service; issues and cashes money orders; delivers c.o.d. and customs mails; accepts and delivers parcel post, registered and insured mail; sells stamps, stamped paper, savings bonds, postal savings stamps and certificates, migratory and documentary stamps, and collects box rents.

(F) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies; issues checks for employees' salaries and other official disbursements.

(G) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(H) Prepares reports of a recurring nature, reflecting various transactions of the office, such as personnel salary summaries, retirement and withholding tax data, cost estimates, money order and bond summaries and schedules of disbursement.

(I) Maintains all files for the office.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3520. Positions in salary level [9] 10.

(a) General Foreman, Mails. (KP-26).

(1) Basic function.—Directs foremen in the distribution of all or part of incoming mails, outgoing mails, or both, at a first class post office.

(2) Duties and responsibilities.—

(A) Lays out work for foremen at the beginning of a tour and issues instructions.

(B) Oversees work in progress to prevent accumulation of mail.

(C) Insures that mail is distributed in accordance with established orders and instructions.

(D) Shifts men from one foreman to another to keep mails moving.

(E) Reports difficulties and suggests corrective measures to superior.

(F) Maintains required records.

(G) Assures that adequate on-the-job training is carried out to promote employee proficiency.

(H) Reviews and forwards recommendations of foremen respecting discipline, promotions, or changes in assignments; approves time and leave requests; submits manpower estimates.

(3) Organizational relationships.—Administratively responsible to a superintendent or assistant superintendent or other designated superior. Directs, through approximately four foremen, employees as assigned.

(b) Postmaster. (KP-27).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately sixteen employees, approximately 1,490 revenue units annually, and city delivery service consisting of eight carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of employees; arranges working schedules of employees; recommends promotions of employees and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local banks; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3521. Positions in salary level [10] 11.

(a) Building Superintendent. (KP-28).

(1) Basic function.—Directs the janitorial, maintenance, and operating services of a large post office building and branches and stations covering an aggregate area of approximately 700,000 square feet, including security, heating and ventilating, mechanical and electrical equipment, and elevator services.

(2) Duties and responsibilities.—

(A) Plans and prepares work schedules and supervises the custodial forces in cleaning, heating, guarding, operating, and repairing the post office building and equipment.

(B) Makes frequent inspections to determine maintenance needs of the building and equipment, and to determine the efficiency of the janitorial and maintenance force.

(C) Prepares and answers correspondence relating to custodial service.

(D) Plans and supervises maintenance or alteration work under contract.

(E) Supervises the office force in the preparation of vouchers, requisitions, and reports incidental to custodial service, and in the maintenance of required accounts and records.

(F) Recommends transfers, promotions, and disciplinary measures for custodial personnel.

(G) Inspects mechanical equipment to determine repair needs and adherence to standards of preventive maintenance.

(3) Organizational relationships.—Administratively responsible to the postmaster or other designated superior. Directs, through a general foreman of laborers and a chief engineer, approximately 100 employees, including electricians and other skilled trades.

(b) Postmaster. (KP-29).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately twenty-seven employees, approximately 3,060 revenue units annually, and eleven city delivery and rural carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees; and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3522. Positions in salary level [11] 12.

(a) Tour Superintendent, Incoming or Outgoing Mails. (KP-30).

(1) Basic function.—Directs general foremen in the distribution of incoming mails or outgoing mails on a tour at a large first class post office.

(2) Duties and responsibilities.—

(A) Provides for the prompt and complete operation of a tour activity, such as incoming mails, outgoing mails, or all first and third class outgoing mails.

(B) Reassigns employees as necessary to meet peakload demands; provides direction to subordinate foremen, coordinating the portions of work assigned to them.

(C) Answers questions of subordinate foremen regarding operating problems; refers policy questions to his superior with appropriate recommendations.

(D) Reviews requests for personnel actions by subordinate foremen, recommending final action to superior.

(E) Reviews estimates of manpower required, consolidating for recommendation to superior.

(3) Organizational relationships.—Administratively responsible to an assistant superintendent of mails or other designated superior. Directs, through general foremen, employees assigned to the tour.

(b) Postmaster. (KP-31).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, personnel, and other related activities. This office has approximately fifty-three employees, approximately 7,450 revenue units annually, six Government-owned vehicle units, no classified stations, and twenty-five city and rural delivery routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of mails and to provide courteous and efficient service to the patrons.

(B) Maintains direct contact with the public on administrative matters and gives personal attention to complaints.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Directs the activities of all employees; supervises arrangement of working schedules of employees; recommends promotions of employees; and is responsible for the proper administration of the Efficiency Appraisal System.

(E) Checks financial accountability of employees in accordance with existing instructions; makes daily deposits of accountable funds in local bank; obtains bids for proposed purchases; requisitions supplies.

(F) Prepares annual estimates of manpower needs and operating allowances for submission as required.

(G) Prepares numerous reports of a recurring nature, reflecting various transactions of the post office; submits postmaster's accounts with supporting vouchers and documents in accordance with existing instructions.

(H) Advertises for bids for various services, including contract stations, vehicular service, mail messenger service, and vehicular maintenance service, and submits bids, with recommendations, as required.

(I) Directs the maintenance of files for the office.

(J) May personally handle window transactions and perform work elsewhere in the office as the workload requires.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3523. Positions in salary level [12] 13.

(a) Postal Inspector. (KP-32).

(1) Basic function.—Is responsible in an assigned territory, usually including all classes of post offices, for inspection and investigative programs covering all phases of the postal service. In heavily populated areas may be assigned a majority of the time to selected types of work as determined by the inspector-in-charge.

(2) Duties and responsibilities.—Assigned territory.—

(A) Inspects post offices and related postal units to insure compliance with postal laws and regulations, protection and proper expenditure of postal revenues and appropriated funds, and evaluates and reports to administrative officials on operational efficiency.

(B) Maintains close working relationship with regional officials and submits to them factual information and recommendations on conditions and needs of the postal service; acts as counselor to postmasters and other postal officials and employees in explaining instructions, regulations, applicable laws and decisions.

(C) Investigates violations of postal laws, including, but not limited to, armed robbery, mailing of bombs, burglary, theft of

mail, embezzlements, obscene literature and pictures, and mail fraud.

(D) Determines the validity and seriousness of charges against postmasters and other officers and employees and makes pertinent recommendations.

(E) Investigates local and area operating problems and recommends corrective action, and within his prescribed jurisdiction, initiates necessary corrective action, including restoration of service immediately in disaster areas caused by hurricanes, tornadoes, floods, and other catastrophes.

(F) Maintains liaison activities (i) with military installations to insure adequate postal service for the military forces; (ii) with Federal and State civil defense authorities at the area level; (iii) with branches of Federal and State law enforcement agencies.

(G) Ascertains postal needs for post offices and stations, rural and city delivery, changes in schedules, quarters, equipment, manpower and procedures and reports findings and recommendations to appropriate officials.

SELECTED CASES.—

(H) Investigates the loss, theft, destruction, and damage to mail matter through technical analyses of complaints and other specialized procedures.

(I) Investigates money-order forgeries; investigates complaints of use of the mails to defraud and to operate lotteries.

(J) Investigates personal injuries, motor-vehicle and other accidents; develops evidence for defense of suits under the so-called Federal Tort Claims Act; recommends out-of-court settlements.

(K) In any criminal investigation, develops evidence, locates witnesses and suspects; apprehends and effects arrests of postal offenders, presents facts to United States attorney, and collaborates as required with Federal and State prosecutors in presentation before United States commissioner, grand jury, and trial court.

(L) Surveys postal service on an area basis to ascertain and recommend ways of improving service and effecting economies.

(M) Makes investigations of a variety of other matters and performs related duties as assigned.

(3) Organizational relationships.—Responsible to the inspector-in-charge or the assistant inspector-in-charge of the division. Supervises trainees and other inspectors as assigned.

(b) Postmaster. (KP-33).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services. This office has approximately 110 employees, approximately 14,350 revenue units annually, 13 government-owned vehicle units, one classified station and 42 carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3524. Positions in salary level [13] 14.

(a) Station Superintendent, Large Classified Station. (KP-34).

(1) Basic function.—Directs the operations of a large classified station, including the distribution, delivery, and dispatch of mail and all required window services to the public.

(2) Duties and responsibilities.—

(A) Plans and supervises the distribution of incoming and outgoing mails, the delivery service, including special delivery, and the dispatch of outgoing mail.

(B) Supervises services to the public at windows, including sales of stamps and stamped paper, money orders, postal savings stamps and certificates, migratory and documentary stamps, registry and insurance of mail; handling of c.o.d. items; general delivery and box mail.

(C) Supervises city and rural carriers and determines that delivery schedules are maintained; consults in the adjustment and establishment of routes to reflect changes in volume, patronage, or population; and recommends establishment or changes in location of collection boxes.

(D) Directs and maintains required records for personnel of station; verifies and approves timecards for payroll purposes; makes manpower estimates and reports; trains new supervisors and employees in various aspects of station operations.

(E) Requisitions supplies and equipment, stamps, stamped paper, and accountable forms from main post office, reissuing to subordinates as required. Is responsible for entire fixed credit of station and for operation within the allowance granted.

(F) Maintains effective relations with large mailers and the public; simplifies handling of mail, and takes appropriate action to meet complaints.

(G) In addition, may perform any of the following duties:

(i) Supervises the cleaning and custodial maintenance of the station building.

(ii) Makes necessary arrangements for special services such as alien registrations, special census reports, or handling of special purpose mailing.

(3) Organizational relationships.—Administratively responsible to a superintendent of mails or other designated superior. Directs, through subordinate supervisors, approximately one thousand or more employees.

(b) Assistant postmaster. (KP-35).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. The office has approximately four hundred and fifty employees, approximately 64,000 revenue units annually, fifty Government-owned vehicle units, one classified station or branch, and one hundred and thirty carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction by key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-36).

(1) Basic function.—Is responsible for all operations of a post office, including the direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations,

and branches. This office has approximately one hundred and eighty employees, approximately 23,700 revenue units annually, twenty-one Government-owned vehicle units, three classified stations, and sixty-five carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organize the post office to insure expeditious handling of the mails and to provide efficient and courteous postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a district manager.

§ 3525. Positions in salary level [14] 15.

(a) Assistant postmaster. (KP-37).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately one thousand and two hundred employees, approximately 200,000 revenue units annually, one hundred and seventeen Government-owned vehicle units, sixteen classified stations and branches, and two hundred and ninety carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationship with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(b) Postmaster. (KP-38).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately four hundred and fifty employees, approximately 64,000 revenue units annually, fifty Government-owned vehicle units, one classified station or branch, and one hundred and thirty carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3526. Positions in salary level [15] 16.

(a) Assistant postmaster. (KP-39).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately three thousand two hundred employees, approximately 400,000 revenue units annually, two hundred Government-owned vehicle units, thirty-four classified stations and branches, and one thousand carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(b) Postmaster. (KP-40).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately seven hundred employees, approximately 106,000 revenue units annually, seventy-seven Government-owned vehicle units, eight classified stations and branches, and two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3527. Positions in salary level [16] 17.

(a) General Superintendent, PTS Division. (KP-41).

(1) Basic function.—Directs all activities of a division of the Postal Transportation Service of average size and complexity in terms of numbers of employees and in expenditure of funds, or in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

(2) Duties and responsibilities.—

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial carriers regarding mail handling and transportation, schedules, security of mail in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, airmail fields, terminals, railway post office lines, highway post office lines, and contract carriers such as

star routes and mail messenger routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

(3) Organizational relationships.—Administratively responsible to a regional director. Directs, through an assistant and district superintendents, up to three thousand three hundred employees.

(b) Assistant postmaster. (KP-42).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative and service functions of the post office. This office has approximately eight thousand employees, approximately 1,000,000 revenue units annually, four hundred Government-owned vehicle units, fifty classified stations and branches, and one thousand four hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-43).

(1) Basic function.—Is responsible for all operations of a post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations, and branches. This office has approximately one thousand two hundred employees, approximately 200,000 revenue units annually, one hundred and seventeen Government-owned vehicle units, sixteen classified stations and branches, and two hundred and ninety carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints all personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that all personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3528. Positions in salary level [17] 18.**(a) General Superintendent, Largest PTS Division. (KP-44).**

(1) Basic function.—Directs all activities of one of the largest divisions of the Postal Transportation Service in terms of numbers of employees and in expenditure of funds, as well as in terms of the importance of the mail gateways in the division, the volume and complexity of the mail and mail handling operations, and concentrations which create congestions. Is responsible for the transportation, transfer, distribution, and dispatch of mail in transit, and for the efficient and economical operation of the division.

(2) Duties and responsibilities.—

(A) Directs and coordinates the activities of subordinate district superintendents in planning and effectuating the transportation and processing of transit mail within, entering, or emanating from the division; confers with officials of commercial

carriers regarding mail handling and transportation schedules, security of mails in transit, and rates.

(B) Provides, through his assistants, general supervision over the activities of the employees of the division. Establishes manpower controls, effective employee relations, and inspections of personnel activities, both informally and as required by regulations.

(C) Exercises administrative control over the district superintendents and, through them, the constituent field units such as transfer offices, air mail fields, terminals, railway and post office lines, highway post office lines, and contract carriers such as star routes and mail messengers routes, and related operating units; maintains financial control of the division, reporting on expenditures and requirements as directed.

(D) Maintains liaison with airlines, railroads, trucklines, and other contract carriers; contacts major publishers, mail-order houses, and other large volume patrons with respect to mass mailing problems.

(E) Coordinates division activities with those of contiguous divisions and with other segments of the Post Office Department within the area.

(3) Organizational relationships.—Administratively responsible to a regional director. Directs, through an assistant and district superintendents, approximately three thousand three hundred or more employees.

(b) Assistant postmaster. (KP-45).

(1) Basic function.—Serves as the overall assistant to the postmaster, particularly on internal operations, and provides general direction over the mails, finance, administrative, and service functions of the post office. This office has approximately twenty thousand employees, approximately 2,500,000 revenue units annually, one thousand one hundred Government-owned motor-vehicle units, sixty-six classified stations and branches, and three thousand two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Participates in the organization and management of the office to insure expeditious handling of the mails and to provide courteous and efficient service to patrons.

(B) Reviews and evaluates recommendations referred to the postmaster by subordinates with respect to promotions and disciplining of post-office personnel; generally oversees the training of all personnel for their respective positions.

(C) Directs a continuous audit program concerning the accountability of responsible finance employees of the office.

(D) Reviews estimates of manpower needs and operating allowances for action of the postmaster.

(E) Analyzes and reports to the postmaster the daily manpower expenditures and is responsible through designated subordinates for maintaining proper apportionment of authorized allowances to operating units.

(F) Gives assistance and direction to key subordinate officials in planning and executing the mail handling, finance, and administrative programs of the post office.

(G) Reviews reports and recommendations of subordinates and attends to administrative matters essential to the management of the post office.

(H) Represents the postmaster in relationships with the public in the area, including representation with employee organizations.

(I) Carries out special assignments for and as directed by the postmaster.

(J) Assumes complete responsibility and authority for the post office in the postmaster's absence and at other times as required.

(3) Organizational relationships.—Administratively responsible to the postmaster.

(c) Postmaster. (KP-46).

(1) Basic function.—Is responsible for all operations of a first class post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations and branches. This office has approximately three thousand two hundred employees, approximately 400,000 revenue units annually, two hundred Government-owned vehicle units, thirty-four classified stations and branches, and one thousand carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3529. Positions in salary level [18] 19.

Postmaster. (KP-47).

(1) Basic function.—Is responsible for all operations of a large post office, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office and stations

and branches. This office has approximately eight thousand employees, approximately 1,000,000 revenue units annually, four hundred Government-owned vehicle units, fifty classified stations and branches, and one thousand four hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained for their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director or other designated superior.

§ 3530. Positions in salary level [19] 20.

Postmaster. (KP-48).

(1) Basic function.—Is responsible for all operations of one of the largest offices, including direction and supervision of mails, finance, buildings, personnel, and related services in the main post office, stations and branches. This office has approximately twenty thousand employees, approximately 2,500,000 revenue units annually, one thousand one hundred Government-owned vehicle units, sixty-six classified stations and branches, and three thousand two hundred carrier routes within its jurisdiction.

(2) Duties and responsibilities.—

(A) Organizes the post office to insure expeditious handling of the mails and to provide courteous and efficient postal service to patrons.

(B) Represents the Post Office Department in its relationships with the public in the area.

(C) Appoints personnel to serve in the post office within the limits prescribed by Departmental and Civil Service Regulations; determines that personnel are carefully selected and adequately trained in their respective positions.

(D) Supervises the administration of the Efficiency Appraisal System and is responsible for maintaining satisfactory employee

relations with representatives of employee organizations and individual employees.

(E) Reviews estimates of manpower needs and operating allowances, submits requests and recommendations as required, and determines that operations are efficiently carried out and expenditures authorized in accordance with approved estimates.

(F) Provides for the safeguarding of all moneys, the operation and maintenance of equipment and other facilities of the post office, and for the expenditure of funds in accordance with applicable laws and regulations.

(G) Approves requisitions for supplies and equipment submitted by operating officials of the post office for submission to the Supply Center or the Department.

(3) Organizational relationships.—Administratively responsible to a regional director.

§ 3531. Positions in salary level [20] 21.

Regional Director. (KP-49).

(1) Basic function.—Directs the management of all postal activities within the jurisdiction of an assigned region in accordance with basic departmental policies and with functional direction and guidance from Assistant Postmasters General.

(2) Duties and responsibilities.—

(A) Develops and formulates policies and practices for the region within basic policies and instructions of the Postmaster General.

(B) Manages post office operations.

(C) Administers routing, distribution, and transportation of mail within and in transit through the region.

(D) Arranges for the provision of adequate facilities and equipment for all postal functions in the region.

(E) Administers the personnel program of the region, including employment, placement, training, evaluation of positions, employee relations, and other personnel functions.

(F) Authorizes and issues allowances for all expenditures and exercises budgetary controls.

(G) Administers cost reduction programs and provides industrial engineering services to operating segments of the region.

(H) Maintains effective public relations with the general public, large mail users, and with Federal, State, and municipal authorities.

(3) Organizational relationships.—Administratively responsible to the Deputy Postmaster General. Directs, through subordinate officials, approximately thirty thousand to thirty-five thousand employees in some three thousand offices within the region.

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§ 3542. Postal Field Service Schedule.

[(a) There is established a basic compensation schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule.

POSTAL FIELD SERVICE SCHEDULE

PFS	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,204	\$4,343	\$4,482	\$4,621	\$4,760	\$4,899	\$5,038	\$5,177	\$5,316	\$5,455	\$5,594	\$5,733
2	4,552	4,701	4,850	4,999	5,148	5,297	5,446	5,595	5,744	5,893	6,042	6,191
3	4,919	5,085	5,251	5,417	5,583	5,749	5,915	6,081	6,247	6,413	6,579	6,745
4	5,331	5,507	5,683	5,859	6,035	6,211	6,387	6,563	6,739	6,915	7,091	7,267
5	5,697	5,888	6,079	6,270	6,461	6,652	6,843	7,034	7,225	7,416	7,607	7,798
6	6,113	6,316	6,519	6,722	6,925	7,128	7,331	7,534	7,737	7,940	8,143	8,346
7	6,545	6,763	6,981	7,199	7,417	7,635	7,853	8,071	8,289	8,507	8,725	
8	7,088	7,323	7,558	7,793	8,028	8,263	8,498	8,733	8,968	9,203		
9	7,665	7,920	8,175	8,430	8,685	8,940	9,195	9,450	9,705	9,960		
10	8,345	8,628	8,911	9,194	9,477	9,760	10,043	10,326	10,609	10,892		
11	9,221	9,536	9,851	10,166	10,481	10,796	11,111	11,426	11,741	12,056		
12	10,202	10,549	10,896	11,243	11,590	11,937	12,284	12,631	12,978	13,325		
13	11,274	11,663	12,052	12,441	12,830	13,219	13,608	13,997	14,386	14,775		
14	12,427	12,859	13,291	13,723	14,155	14,587	15,019	15,451	15,883	16,315		
15	13,736	14,210	14,684	15,158	15,632	16,106	16,580	17,054	17,528	18,002		
16	15,179	15,707	16,235	16,763	17,291	17,819	18,347	18,875	19,403	19,931		
17	16,793	17,380	17,967	18,554	19,141	19,728	20,315	20,902	21,489	22,076		
18	18,530	19,145	19,760	20,375	20,990	21,605	22,220	22,835	23,450	24,065		
19	20,525	21,210	21,895	22,580	23,265	23,950	24,635	25,320				
20	22,760	23,520	24,280	25,040	25,800							

(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

POSTAL FIELD SERVICE SCHEDULE I

(To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below)

PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	
9	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756		
10	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558		
11	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546		
12	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781		
13	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127		
14	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668		
15	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295		
16	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082		
17	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130		
18	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401		
19	19,612	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510		
20	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840				
21	24,126	24,932	25,738	26,544	26,960							

POSTAL FIELD SERVICE SCHEDULE II

[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	
9	7,891	8,163	8,435	8,707	8,979	9,251	9,523	9,795	10,067	10,339		
10	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091		
11	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124		
12	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423		
13	11,366	11,743	12,120	12,497	12,874	13,251	13,628	14,005	14,382	14,759		
14	12,549	12,933	13,317	13,701	14,085	14,469	14,853	15,237	15,621	16,005		
15	13,832	14,213	14,594	14,975	15,356	15,737	16,118	16,499	16,880	17,261		
16	15,293	15,680	16,067	16,454	16,841	17,228	17,615	18,002	18,389	18,776		
17	16,895	17,283	17,671	18,059	18,447	18,835	19,223	19,611	20,000	20,388		
18	18,695	19,084	19,473	19,862	20,251	20,640	21,029	21,418	21,807	22,196		
19	20,626	21,015	21,404	21,793	22,182	22,571	22,960	23,349	23,738	24,127		
20	22,848	23,237	23,626	24,015	24,404	24,793	25,182	25,571	25,960	26,349		
21	25,333	25,722	26,111	26,500	26,889	27,278	27,667	28,056	28,445	28,834		

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§ 3543. Rural Carrier Schedule.

[(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be "RCS." Compensation shall be paid to rural carriers in accordance with this schedule.]

RURAL CARRIER SCHEDULE

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Carrier in rural delivery service:												
Fixed compensation per annum	\$2,391	\$2,507	\$2,623	\$2,739	\$2,855	\$2,971	\$3,087	\$3,203	\$3,319	\$3,435	\$3,551	\$3,667
Compensation per mile per annum for each mile up to 30 miles of route	88	90	92	94	96	98	100	102	104	106	108	110
For each mile of route over 30 miles	25	25	25	25	25	25	25	25	25	25	25	25

(a) There are established basic compensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation shall be paid to rural carriers in accordance with such schedules.

RURAL CARRIER SCHEDULE I

[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30	25	25	25	25	25	25	25	25	25	25	25	25

RURAL CARRIER SCHEDULE II

[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30	25	25	25	25	25	25	25	25	25	25	25	25

* * * * *

[§ 3544. Fourth Class Office Schedule.

[(a) There is established a basic compensation schedule which shall be known as the Fourth Class Office Schedule and for which the symbol shall be "FOS", for postmasters in post offices of the fourth class, which is based on the revenue units of the post office for the preceding fiscal year. Basic compensation shall be paid to postmasters in post offices of the fourth class in accordance with this schedule.

FOURTH CLASS OFFICE SCHEDULE

Revenue units	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
30 but fewer than 36	\$4,019	\$4,152	\$4,285	\$4,418	\$4,551	\$4,684	\$4,817	\$4,950	\$5,083	\$5,216	\$5,349	\$5,482
24 but fewer than 30	3,715	3,837	3,959	4,081	4,203	4,325	4,447	4,569	4,691	4,813	4,935	5,057
18 but fewer than 24	3,064	3,168	3,272	3,376	3,480	3,584	3,688	3,792	3,896	4,000	4,104	4,208
12 but fewer than 18	2,407	2,485	2,563	2,641	2,719	2,797	2,875	2,953	3,031	3,109	3,187	3,265
6 but fewer than 12	1,736	1,791	1,846	1,901	1,956	2,011	2,066	2,121	2,176	2,231	2,286	2,341
Fewer than 6	1,398	1,443	1,488	1,533	1,578	1,623	1,668	1,713	1,758	1,803	1,848	1,893

[(b) The basic salary of postmasters in fourth-class post offices shall be readjusted for changes in revenue units at the start of the first pay period after January 1 of each year. When a post office is restored to a revenue unit category held by it prior to relegation to a lower revenue unit category, the postmaster's basic salary may be adjusted to the highest salary step held by him when the post office was in the higher revenue unit category. In all other cases, in adjusting a postmaster's

basic salary under this section, the basic salary shall be fixed at the lowest step which is higher than the basic salary received by the postmaster at the end of the preceding calendar year. If there is no such step the basic salary shall be fixed at the highest step for the adjusted revenue units of the office. Each increase in basic salary because of change in revenue units shall be deemed the equivalent of a step increase under section 3552 of this title and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment.

[(c) The basic salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate. Whenever unusual conditions prevail at any post office of the fourth class the Postmaster General may advance such office to the appropriate category based on his estimate of the number of revenue units which the office will have during the succeeding twelve months. Any fourth-class office advanced to the appropriate category pursuant to this subsection shall not be reduced in category until the start of the first pay period after January 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the category indicated by the revenue units for the preceding fiscal year.]

[(d) Persons who perform the duties of postmaster at post offices of the fourth class where there is a vacancy or during the absence of the postmaster on sick or annual leave, or leave without pay, shall be paid the same basic salary to which they would have been entitled if regularly appointed as postmaster.]

[(e) The Postmaster General may allow to postmasters in fourth-class post offices additional compensation for separating services and for unusual conditions during a portion of the year, in lieu of an allowance for clerical services for this purpose.]

[(f) At seasonal post offices of the fourth class, the Postmaster General may authorize the payment of the basic salary prorated over the pay periods the office is open for business during the fiscal year.]

[(g) Where the revenue units of a post office of the third class for each of two consecutive fiscal years are less than 36, or where in any fiscal year the revenue units are less than 33, the post office shall be relegated to the fourth class and the basic salary of the postmaster shall be fixed in the manner provided in subsection (b) of this section.]

[(h) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 5 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for the postmaster at the office.]

§ 3544. Compensation of postmasters at fourth-class offices

(a) *The Postmaster General shall—*

(1) *rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and*

(2) *establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than post-*

master at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

* * * * *

§ 3560. Salary protection.

(a) As used in this section, the term "salary standing" means—

(1) basic salary and salary level, with respect to the Postal Field Service Schedule,

(2) salary for the particular route (including additional compensation for forty hours and under for serving heavily patronized routes), with respect to the Rural Carrier Schedule, and

(3) [revenue unit category, with respect to the Fourth-Class Office Schedule] *minimum hours of service with respect to postmasters in fourth-class post offices.*

(b) Subject to the provisions of subsection (c) of this section, each employee—

(1) who at any time on or after July 1, 1961, is or was reduced in salary standing;

(2) who, on the effective date of such reduction in salary standing, holds or held a career appointment or a probational appointment in the postal field service;

(3) whose reduction in salary standing is not or was not caused by a demotion for personal cause, is not or was not at his own request, is not or was not a condition of his temporary promotion or temporary assignment to a higher salary standing, is not or was not a condition of his temporary appointment, and is not or was not effected in a reduction in force due to lack of funds or curtailment of work;

(4) who, for two continuous years immediately prior to such reduction in salary standing, served in the postal field service with any salary standing higher than the salary standing to which he is reduced; and

(5) whose performance of work at all times during such period of two years is or was satisfactory;

shall be entitled, as of the effective date of such reduction in salary standing or as of the first day of the first pay period which begins on or after the date of enactment of this section, whichever is later, unless or until he is entitled to receive basic salary at a higher rate by reason of the operation of this section, or until the expiration of a period of two years immediately following the effective date of such reduction in salary standing or immediately following the first day of such first pay period, as applicable, to receive the rate of basic salary to which he was entitled immediately prior to such reduction in salary standing (including each increase provided by law in such rate of basic salary) so long as he continues in the postal field service without any break in service of one workday or more and is not demoted or reassigned for personal cause, at his own request, or in a reduction in force due to lack of funds or curtailment of work.

(c) The rate of basic salary to which such employee is entitled under subsection (b) of this section with respect to each reduction in salary standing to which this section applies shall be the lesser of the following:

(A) the amount of the existing rate of basic salary of the employee immediately prior to the reduction in salary standing (including each increase provided by law in such rate); or

(B) the amount of the rate of the salary level or salary range (including each increase provided by law in such rate) to which the employee is reduced, increased by 25 per centum; or

(C) the amount of the rate in the lowest salary standing which such employee held during the two years immediately preceding such reduction in salary standing augmented by each step increase which he would have earned in such salary standing and by each increase provided by law in such salary rate.

(d) The Postmaster General is authorized to issue regulations to carry out the purposes of this section.

(e)(1) For the purposes of section 3559(a), the existing basic salary shall be the basic salary which the employee would have received except for the provisions of this section.

(2) For the purposes of section 3544(h), the basic compensation earned shall be the basic compensation which the employee would have received except for the provisions of this section.

(f) For the purposes of this section, the term "curtailment of work" does not include—

(1) [reductions in class or revenue unit category of any post office, or] *reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or*

(2) reductions in route mileage for rural carriers.

* * * * *

§ 3571. Maximum hours of work.

* * * * *

(e) *Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.*

§ 3573. Compensatory time, overtime, and holidays.

(a) In emergencies or if the needs of the service require, the Postmaster General may require employees to perform overtime work or to work on holidays. Overtime work is any work officially ordered or approved which is performed by—

(1) an annual rate regular employee in excess of his regular work schedule.

(2) an hourly rate regular employee in excess of eight hours in a day or forty hours in a week, and

(3) a substitute employee in excess of forty hours in a week.

The Postmaster General shall determine the day and week used in computing overtime work.

(b) For each hour of overtime work the Postmaster General shall compensate an employee in the "PFS" Schedule as follows:

(1) He shall pay each employee in or below salary level [PFS-10] *PFS-11* compensation at the rate of 150 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(2) He shall grant each employee in or above salary level [PFS-11] *PFS-12* compensatory time equal to the overtime worked, or in his discretion in lieu thereof pay such employee compensation at the rate of 150 per centum of the hourly rate of basic compensation of the employee or of the hourly rate of the basic compensation for the highest step of salary level [PFS-10] *PFS-11*, whichever is the lesser.

(c) For officially ordered or approved time worked on a day referred to as a holiday in the Act of December 26, 1941 (55 Stat. 862; 5 U.S.C. 87b), or on a day designated by Executive order as a holiday for Federal employees, under regulations prescribed by the Postmaster General, an employee in the PFS schedule shall receive extra compensation, in addition to any other compensation provided for by law, as follows:

(1) Each regular employee in or below salary level [PFS-10] *PFS-11* shall be paid extra compensation at the rate of 100 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(2) Each regular employee in or above salary level [PFS-11] *PFS-12* shall be granted compensatory time in an amount equal to the time worked on such holiday within thirty working days thereafter or, in the discretion of the Postmaster General, in lieu thereof shall be paid extra compensation for the time so worked at the rate of 100 per centum of the hourly rate of basic compensation for his level and step computed by dividing the scheduled annual rate of basic compensation by two thousand and eighty.

(3) For work performed on Christmas Day (A) each regular employee shall be paid extra compensation at the rate of 150 per centum of the hourly rate of basic compensation for his level and step, computed by dividing the scheduled annual rate of

basic compensation by two thousand and eighty, and (B) each substitute employee shall be paid extra compensation at the rate of 50 per centum of the hourly rate of basic compensation for his level and step.

(d) The Postmaster General shall establish conditions for the use of compensatory time earned and the payment of compensation for unused compensatory time.

(e) Each regular employee whose regular work schedule includes an eight-hour period of service any part of which is within the period commencing at midnight Saturday and ending at midnight Sunday shall be paid extra compensation at the rate of 25 per centum of his hourly rate of basic compensation for each hour of work performed during that eight-hour period of service.

(f) If an employee is entitled under this section to unused compensatory time at the time of his death, the Postmaster General shall pay at the rate prescribed in this section, but not less than a sum equal to the employee's hourly basic compensation, for each hour of such unused compensatory time to the person or persons surviving at the date of such employee's death. Such payment shall be made in the order of precedence prescribed in the first section of the Act of August 3, 1950 (5 U.S.C. 61f), and shall be a bar to recovery by any other persons of amounts so paid.

(g) Notwithstanding any provision of this section other than subsection (f), no employee shall be paid overtime or extra compensation for a pay period which when added to his basic compensation for the pay period exceeds one twenty-sixth of the annual rate of basic compensation for the highest step of salary level **[PFS-17]** *PFS-18*.

(h) For the purposes of this section and section 3571 of this title—

(1) "Annual rate regular employee" means an employee for whom the Postmaster General has established a regular work schedule consisting of five eight-hour days in accordance with section 3571 of this title.

(2) "Hourly rate regular employee" means an employee for whom the Postmaster General has established a regular work schedule consisting of not more than forty hours a week.

(3) "Substitute employee" means an employee for whom the Postmaster General has not established a regular work schedule.

* * * * *

§ 3575. Exemptions.

(a) Sections 3571, 3573, and 3574 of this title do not apply to postmasters, rural carriers, postal inspectors, and employees in salary level **[PFS-15]** *PFS-16* and above.

(b) Sections 3571 and 3573 of this title do not apply to employees referred to in section 3581 of this title.

(c) Sections 3571 (a), (b), and (d), and 3573(e) of this title do not apply to substitute employees.

(d) Section 3571(b) of this title does not apply to hourly rate regular employees.

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CHAPTER 51.—NONMAILABLE MATTER

Sec.

- 4001. Nonmailable matter.
- 4002. Nonmailable fourth class matter.
- 4003. Mail bearing a fictitious name or address.
- 4004. Delivery of mail to persons not residents of the place of address.
- 4005. Fraudulent and lottery matter.
- 4006. "Unlawful" matter.
- 4007. Detention of mail for temporary periods.
- 4008. Communist political propaganda.
- 4009. *Prohibition of pandering advertisements in the mails.*

§ 4001. Nonmailable matter.

(a) Matter, the deposit of which in the mails is punishable under sections 1302, 1341, 1342, 1461, 1463, 1714, 1715, 1716, 1717, or 1718 of title 18, is nonmailable.

(b) Except as provided in section 4002 of this title, nonmailable matter which reaches the office of delivery, or which may be seized or detained for violation of law, shall be disposed of as the Postmaster General directs.

(c) *Matter otherwise legally acceptable in the mails which—*

(1) *is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but*

(2) *constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both,*

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

(A) *the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or*

(B) *in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe.*

* * * * *

§ 4009. *Prohibition of pandering advertisements in the mails*

(a) *Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.*

(b) *Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.*

(c) *The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall*

also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

(i) For the purposes of this section—

(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.

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CHAPTER 57.—PENALTY AND FRANKED MAIL

Sec.

4151. Definitions.

4152. Penalty mail.

4153. Endorsements on penalty covers.

4154. Restrictions on use of penalty mail.

4155. Accounting for penalty covers.

4156. Reimbursement for penalty mail service.

4158. Limit of weight of penalty mail; postage on overweight matter.

4159. Shipment by most economical means.

- 4160. Executive departments to supply information.
- 4161. Official correspondence of Vice President and Members of Congress.
- 4162. Public documents.
- 4163. Congressional Record under frank of Members of Congress.
- 4164. Seeds and reports from Department of Agriculture.
- 4165. Mailing privilege of former Presidents.
- 4166. Lending or permitting use of frank unlawful.
- 4167. Reimbursement for franked mailings.
- 4168. Correspondence of members of diplomatic corps and consuls of countries of Postal Union of Americas and Spain.
- 4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.
- 4170. *Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.*

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§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

(a) *For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.*

(b) *The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.*

CHAPTER 59.—FIRST CLASS MAIL

Sec.

- 4251. Definition.
- 4252. **[Weight limit.]** *Size and weight limits.*
- 4253. Postage rates on first class mail.
- 4254. Business reply mail.

§ 4251. Definition

(a) First class mail consists of mailable (1) postal cards, (2) post cards, (3) matter wholly or partially in writing or typewriting, except as provided in sections 4365, 4453, and 4555 of this title, **[and (4)]** (4) *bills and statements of account, and (5) matter closed against postal inspection.*

(b) A postal card is a card supplied by the Department with a postage stamp printed or impressed on it for the transmission of messages, orders, notices and other communications, either printed or written in pencil or ink.

(c) Post cards are privately printed mailing cards for the transmission of messages. They may not be larger than the size fixed by the Convention of the Universal Postal Union in effect and of approximately the same form, quality and weight as postal cards.

[(d) Drop letters are letters—

[(1) mailed for local delivery at post offices where letter carrier service is not established; and

[(2) neither collected nor delivered by rural or star route carriers.]]

[§ 4252. Weight limit

[The maximum weight of first class mail is the same as the maximum limit applicable to fourth class mail.]

§ 4252. Size and weight limits

The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

[§ 4253. Postage rates on first class mail

[(a) Postage on first class mail is computed separately on each letter or piece of mail. The rate of postage on first class mail is five cents for each ounce or fraction of an ounce, except that the rate—

[(1) on drop letters is four cents for each ounce or fraction of an ounce;

[(2) for each single postal card and each portion of a double postal card, including the cost of manufacture, is four cents;

[(3) for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is four cents.]

§ 4253. Postage rates on first-class mail

(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303 (d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251 (c) of this title is 5 cents.

[(b)] (d) The rate of postage on business reply mail is the regular rate prescribed in **[subsection (a) of]** this section, together with an additional charge thereon of **[two]** 2 cents for each piece weighing two ounces or less and **[five]** 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

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CHAPTER 61.—AIR MAIL AND AIR PARCEL POST

Sec.

4301. Definitions.

4302. Treatment of air mail.

4303. Postage rates on air mail.

4304. Postage on Alaskan air mail.

4305. Size and weight limits.

§ 4301. Definitions

As used in this chapter—

(1) “domestic air mail” means matter bearing postage at the rates of postage prescribed in sections 4303 and 4304 of this title which is mailed in the United States Postal Service for transportation by air and delivery by the United States Postal Service.

(2) “air parcel post” means domestic air mail of any class weighing in excess of **[eight]** 7 ounces.

§ 4302. Treatment of air mail

(a) Except with respect to the postage required, domestic air mail, other than air parcel post, shall be treated as first class mail.

(b) The Postmaster General shall prescribe the conditions under which air parcel post shall be—

- (1) forwarded or returned to the sender;
- (2) charged with forwarding or return postage; and
- (3) registered, insured, or given C. O. D. service.

§ 4303. Postage rates on air mail

(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic air mail weighing not more than [eight] 7 ounces is [eight] 10 cents for each ounce or fraction thereof.

(b) The rate of postage on each postal card and post card sent as domestic air mail is [six] 8 cents.

(c) The rate of postage on letters in business reply envelopes and on business reply cards sent as domestic air mail is the regular rate prescribed in subsection (a) or (b) together with an additional charge thereon of two cents for each piece weighing two ounces or less and five cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

(d)(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following [table] tables:

Zones	First pound over 8 ounces or fraction thereof	Additional pounds or fraction thereof
	<i>Cents</i>	<i>Cents</i>
1, 2, and 3.....	68	48
4.....	73	50
5.....	78	56
6.....	83	64
7.....	83	72
8.....	88	80

	Zones					
	Local, 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80

【(2) The rate of postage on air mail of the first class weighing in excess of eight ounces shall be the rate provided by subsection (a) for each ounce not in excess of eight ounces, plus 5 cents for each ounce or fraction thereof in excess of eight ounces, but in no case less than the rate provided under paragraph (1) for air parcels.】

(3) In addition to parcels to which it is otherwise applicable, the eighth zone includes, for purposes of this section only, except as provided by paragraph (4) of this subsection, parcels transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone.

(4) The rates of postage on air parcel post transported between the United States, its territories and possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and Army, Air Force, and Fleet post offices, shall be the applicable zone rates shown in paragraph (1) of this subsection for mail between the place of mailing or delivery within the United States, its territories or possessions or the Commonwealth of Puerto Rico, and the Canal Zone, and the city of the postmaster serving the Army, Air Force, or Fleet post office concerned, except that the rate of postage applicable to air parcel post transported directly between (1) Hawaii, Alaska, or the territories and possessions of the United States in the Pacific area, and (2) an Army, Air Force, or Fleet post office served by the postmaster at San Francisco, California, or Seattle, Washington, shall be the rate which would be applicable if the parcel were in fact mailed from or delivered to that city, as the case may be.

(5) There shall be transported by air, between Armed Forces post offices established under section 705(d) of this title which are located outside the forty-eight contiguous States of the United States, or between any such Armed Forces post office and the point of embarkation or debarkation within the fifty States of the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, the Virgin Islands or the Canal Zone, on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), the following categories of mail matter:

(A)(i) first-class letter mail (including postal cards and post cards),
 (ii) sound-recorded communications having the character of personal correspondence, and
 (iii) parcels of any class of mail not exceeding five pounds in weight and sixty inches in length and girth combined, which are mailed at or addressed to any such Armed Forces post office;

(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office in an overseas area designated by the President under section 4169 of this title; and

(C) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available.

Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this paragraph, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers. This paragraph shall not affect the operation of section 4169(a) of this title.

(6) Paragraphs (4) and (5) of this subsection shall be administered under such conditions and regulations as the Postmaster General and the Secretary of Defense severally may prescribe to carry out their respective functions under such paragraphs.

(e) Air parcel post of light weight in relation to size is subject to such surcharge as the Postmaster General determines to be warranted by reason of the extra space and care required in handling and transporting it.

(f) The Department of Defense shall reimburse the Post Office Department, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, sums equal to the expenses incurred by the Post Office Department, as determined by the Postmaster General, in providing air transportation of mail between Armed Forces post offices established under section 705(d) of this title which are not located within the fifty States of the United States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, or the Virgin Islands [or the Canal Zone], or between any such Armed Forces post office and the point of embarkation or debarkation within the fifty States, the territories and possessions of the United States in the Pacific area, the Commonwealth of Puerto Rico, or the Virgin Islands [or the Canal Zone].

§ 4304. Postage on Alaskan air mail

Notwithstanding the provisions of section 4303 of this title, the Postmaster General may fix the postage at rates not exceeding 30 cents per ounce or 15 cents per one-half ounce for airmail sent to, from, or within Alaska.

§ 4305. Size and weight limits

The maximum size and weight of domestic airmail and air parcel post is 100 inches in length and girth combined and 70 pounds.

CHAPTER 63.—SECOND CLASS MAIL AND CONTROLLED CIRCULATION PUBLICATIONS

SECOND CLASS MAIL

Sec.

4351. Definition.

4352. Entry as second class mail.

4353. Entry of foreign publications.

4354. Conditions for entry of publications.

4355. Conditions for entry of publications of certain organizations.

4356. Conditions for entry of publications of State departments of agriculture.

4357. Fees for entry and registration.

4358. [Postage rates within county of publication.] *Rates of postage; preferred.*

4359. [Postage rates beyond county of publication.] *Rates of postage; regular.*

4360. Minimum postage.

4361. Rates for proofs of advertisements

4362. Transient postage rate.
 4363. Separation by mailer of second class mail.
 4364. Information to be furnished by mailer.
 4365. Permissible marks and enclosures.
 4366. Permissible supplements.
 4367. Marking of advertising matter.
 4368. Affidavits relating to mailings; second class mail.
 4369. Filing of information relating to publications of the second class.
 4370. Delivery of newspapers by postal transportation service.

CONTROLLED CIRCULATION PUBLICATIONS

4421. Definition.
 4422. Rates.

* * * * *

§ 4355. Conditions for entry of publications of certain organizations

(a) Mailable periodical publications meeting the first three conditions of section 4354(a) of this title are entitled to be entered and mailed as second-class mail when they do not contain advertising other than that of the publisher and if they are—

* * * * *

(10) published by any public or nonprofit private elementary or secondary institution of learning or its administrative or governing body **[.]**; or

(11) *published by an educational television agency of a State or political subdivision thereof or by a nonprofit educational television station.*

* * * * *

§ 4358. **[Postage rates within county of publication]** *Rates of postage; preferred*

(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

[In cents]

	Mailed after January 6, 1963, and prior to January 1, 1965	Mailed after December 31, 1964
Rate per pound.....	1	1¼
Minimum charge per piece.....	½	½

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2

(b) The **[rate]** rates of postage on the following publications admitted as second-class mail, when mailed for delivery **[**, within the

county in which they are published and entered,] by letter carrier at the office of mailing, shall be[—] as follows:

[(1) publications issued more frequently than weekly, one cent a copy;

(2) publications issued less frequently than weekly—

(A) weighing two ounces or less, one cent a copy;

(B) weighing more than two ounces, two cents a copy.]

[Cents per copy]

	Mailed at office of original entry	Mailed at an office of additional entry during—		
		Fiscal year 1969	Fiscal year 1970	Fiscal year 1971 and thereafter
Published more frequently than weekly.....	1	1.5	2.0	2.5
Published less frequently than weekly:				
Weighing two ounces or less.....	1	1.5	2.0	2.5
Weighing more than two ounces.....	2	2.5	3.0	3.5

The rates prescribed in section 4359 of this title shall apply to publications published weekly and mailed at additional entry offices and to any publications mailed at an additional entry office which does not have letter carrier service.

(c) When copies of a publication are mailed at a post office where it is entered for delivery by letter carrier at a different post office within the delivery limits of which the headquarters or general business office of the publisher is located the rate of postage is—

(1) the rate that would be applicable if the copies were mailed at the latter post office, or

(2) the pound rates from the office of mailing if those rates are higher.

(d) (1) *Except as provided in paragraph (2), the rates of postage on publications, mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:*

[In cents]

	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	After December 31, 1972
<i>Rate per pound:</i>						
<i>Advertising portion:</i>						
Zones 1 and 2.....	2.4	2.9	3.5	4.1	4.6	5.2
Zone 3.....	2.6	3.3	4.1	4.9	5.6	6.4
Zone 4.....	3.0	4.1	5.3	6.5	7.6	8.8
Zone 5.....	3.4	4.9	6.5	8.0	9.6	11.1
Zone 6.....	3.8	5.7	7.7	9.7	11.6	13.6
Zone 7.....	3.9	6.0	8.1	10.3	12.4	14.5
Zone 8.....	4.3	6.9	9.4	11.9	14.5	17.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

(2) *The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.*

(e) *The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.*

(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

(h) The publisher of a classroom publication, or of a publication referred to in subsection (f) of this section, or of a publication of a non-profit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

(j) As used in this section—

(1) "classroom publication" means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

(2) "a publication of a qualified nonprofit organization" means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans', fraternal, nonprofit educational television stations, educational television agencies operated by a State or a political subdivision thereof, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

(3) "zones" means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.

§ 4359. [Postage rates beyond county of publication] Rates of postage; regular

(a) Except as provided in sections 4358 and 4362 of this title, the rates of postage set out in this section are applicable to copies of publications entered as second class mail when (1) mailed by the publisher thereof from the post office of publication and entry or other post office where entry is authorized and (2) when mailed by news agents, registered as such under regulations prescribed by the Post-

master General, to actual subscribers thereto or to other news agents for the purpose of sale and (3) sample copies to the extent of 10 per centum of the weight of copies mailed to subscribers during the calendar year.

[(b)(1) Except as provided by paragraphs (2), (3), and (4), the rates of postage on publications mailed in accordance with subsection (a) are as follows:

[In cents]

	Mailed after January 6, 1963, and prior to January 1, 1964	Mailed during calendar year 1964	Mailed after December 31, 1964
Rates per pound:			
Advertising portion:			
Zones 1 and 2.....	3.4	3.8	4.2
Zone 3.....	4.4	4.8	5.2
Zone 4.....	6.4	6.8	7.2
Zone 5.....	8.4	8.8	9.2
Zone 6.....	10.4	10.8	11.2
Zone 7.....	12.0	12.0	12.0
Zone 8.....	14.0	14.0	14.0
Nonadvertising portion.....	2.6	2.7	2.8
Minimum charge per piece.....	.6	.8	1.0

[(2) The postage on classroom publications is 60 per centum of the postage computed in accordance with paragraph (1).

[(3) The rates of postage on publications of a qualified nonprofit organization mailed in accordance with subsection (a) are as follows:

[In cents]

	Mailed after January 6, 1963, and prior to January 1, 1964	Mailed during calendar year 1964	Mailed after December 31, 1964
Rate per pound	1.6	1.7	1.8
Minimum charge per piece.....	.125	.125	.125

[(4) In lieu of the minimum charge per piece prescribed by paragraph (1), the minimum charge per piece to be paid by the following publications (other than publications to which paragraph (2) or paragraph (3) is applicable) shall be as follows—

[(A) publications mailing fewer than 5,000 copies per issue outside the county of publication—one-half cent per piece.

[(B) any issue of a publication the advertising portion of which does not exceed 5 per centum of the entire issue—.55 of a cent per piece when mailed after January 6, 1963, and prior to January 1, 1964, .65 of a cent per piece when mailed during calendar year 1964, and .75 of a cent per piece when mailed after December 31, 1964.

[(c) For the purpose of this section, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

[(d) The publisher of a classroom publication or of a publication of a nonprofit organization before being entitled to the rates for the publications shall furnish such proof of qualifications as the Postmaster General prescribes.

[(e) As used in this section the term—

[(1) “classroom publication” means a religious, educational or scientific publication entered as second class mail and designed specifically for use in classrooms or in religious instruction classes;

[(2) “a publication of a qualified nonprofit organization” means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans’, fraternal, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising; and

[(3) “zones” means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.]

(b) *Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:*

[In cents]

	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
<i>Rate per pound:</i>			
<i>Advertising portion:</i>			
<i>Zones 1 and 2</i> -----	4.6	4.9	5.2
<i>Zone 3</i> -----	5.7	6.0	6.4
<i>Zone 4</i> -----	7.8	8.3	8.8
<i>Zone 5</i> -----	9.9	10.5	11.1
<i>Zone 6</i> -----	12.0	12.8	13.6
<i>Zone 7</i> -----	12.8	13.7	14.5
<i>Zone 8</i> -----	15.0	16.0	17.0
<i>Nonadvertising portion</i> -----	3.0	3.2	3.4
<i>Minimum charge per piece</i> -----	1.1	1.2	1.3

(c) *For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.*

(d)(1) *Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.*

(2) *The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—*

(A) shall be in addition to the payment of lawfully required postage;

(B) may not be adjusted more frequently than once every two years; and

(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, and, when added to lawfully required postage, shall not be less than 4 cents per piece.

(e) As used in this section the term "zones" means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.

* * * * *

§ 4362. Transient postage rate

The rate of postage on copies of publications having second class entry mailed—

(1) by persons other than the publishers or registered news agents;

(2) as sample copies by the publishers in excess of the 10 per centum permitted to be mailed at the pound rates; and

(3) copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers; is [four] 5 cents for the first two ounces and one cent for each additional ounce or fraction thereof. When postage at the rates prescribed for fourth class mail is lower, the latter applies. The rates are computed on each individually addressed copy or package of unaddressed copies.

§ 4363. Separation by mailer of second class mail

The Postmaster General may require publishers and news agents to [separate and] make up [to zones, in such manner as he directs, second-class mail offered for mailing.] and address second-class matter in accordance with a 5-digit ZIP code system.

* * * * *

§ 4365. Permissible marks and enclosures

(a) Second class mail may contain no writing, print, or sign thereon or therein, in addition to the original print except—

(1) the name and address of the person to whom the mail is sent and directions for transmission, delivery, forwarding or return;

(2) index figures of subscription book either printed or written;

(3) the printed title of the publication and the place of its publication;

(4) the printed or written name and address without addition of advertisement of the publisher or sender, or both;

(5) written or printed words or figures, or both, indicating the date on which the subscription to the matter will end;

(6) the correction of typographical errors;

(7) a mark except written or printed words to designate a word or passage to which it is desired to call attention;

(8) the words "sample copy" when the matter is sent as such; and

(9) the words "marked copy" when the matter contains a marked item or article.

(b) Publishers and news agents may enclose in their publications [bills,] receipts and orders for subscriptions.

(c) This section does not prohibit the insertion in periodicals of advertisements permanently attached thereto.

(d) *In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.*

* * * * *

CONTROLLED CIRCULATION PUBLICATIONS

§ 4421. Definition

Controlled circulation publications are those publications which—

(1) contain twenty-four pages or more;

(2) are issued at regular intervals of four or more times a year;

(3) devote 25 per centum or more of their pages to text or reading matter and not more than 75 per centum to advertising matter;

(4) may be circulated free or mainly free; and

(5) are not owned and controlled by one or several individuals or business concerns and conducted as an auxiliary to and essentially for the advancement of the main business or calling of those who own or control them.

§ 4422. Rates of postage

[The postage rate on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General, is 12½ cents a pound or fraction thereof when mailed after January 6, 1963, and prior to January 1, 1964, 13 cents a pound or fraction thereof when mailed during calendar year 1964, and 13½ cents a pound or fraction thereof when mailed after December 31, 1964, regardless of the weight of the individual copies, with a minimum charge of 1 cent for each piece. The rates provided in this section shall remain in effect until otherwise provided by the Congress.]

The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

[In cents]

	Mailed during calendar year 1963	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.3	15.1	16.0
Minimum charge per piece.....	1.9	2.9	3.8

CHAPTER 65.—THIRD CLASS MAIL

Sec.

4451. Definition.
 4452. Postage rates.
 4453. Permissible marks and enclosures.

§ 4451. Definition

- (a) Third class mail consists of mailable matter which is—
 (1) not mailed or required to be mailed as first class mail;
 (2) not entered as second class mail; and
 (3) less than sixteen ounces in weight.

[(b) A person who presents for mailing at one time twenty or more identical copies of bills and statements of account produced by any photographic or mechanical process, other than typewriting, may mail them as third class mail. In other cases, bills and statements of account shall be mailed as first class mail.]

(c) Circulars, including printed letters which according to internal evidence are being sent in identical terms to several persons, are third class mail. A circular does not lose its character as such when the date and name of the addressee and of the sender are written therein, nor by the correction in writing of mere typographical errors.

[(d) Unsealed letters written in point print or raised characters, or on sound reproduction records, used by the blind are third class mail without regard to the limit on weight prescribed in subsection (a) (3) of this section.]

(e) Printed matter within the limit of weight set forth in subsection (a) of this section is third class mail. For the purpose of this subsection, printed matter is paper on which words, letters, characters, figures or images, or any combination thereof, not having the character of actual and personal correspondence, have been reproduced by any process other than handwriting or typewriting.

§ 4452. Postage rates

[(a) Except as provided in subsection (c) of this section, and subject to the minimum charge per piece provided in subsection (b) of this section, the postage rates on third-class mail are as follows:

Type of mailing	Rate	Unit
	<i>Cents</i>	
(1) Individual piece.....	4	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsec. (e) of this section of:	2	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	Each pound or fraction thereof.
(B) Other matter.....	18	Do.

[(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece of 2½ cents when mailed subsequent to January 6, 1963 and prior to January 1, 1964, 2¢ cents when mailed during calendar year 1964, and 2⅞ cents when mailed after December 31, 1964, except that the minimum charge per piece

on such matter mailed by qualified nonprofit organizations is 1¼ cents.]

(a) *Except as otherwise provided in this section, the postage rates of third-class mail are as follows:*

Type of mailing	Rates		Unit
	Mailed during calendar year 1968	Mailed after Dec. 31, 1969	
	Cents	Cents	
(1) Individual piece.....	6.0	6.0	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—	2.0	2.0	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

(b) *Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided under subsection (a), rounded off to the nearest ¼₁₀ cent.*

(c) The pound rates on matter mailed in bulk under subsection (e) by qualified nonprofit organizations are 50 per centum of the pound rates provided by subsection (a).

(d) The term “qualified nonprofit organization” as used in this section means religious, educational, scientific, philanthropic, agricultural, labor, veterans, or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual. Before being entitled to the preferential rates set out in this section, the organization or association shall furnish proof of its qualifications to the Postmaster General.

(e) Upon payment of a fee of \$30 for each calendar year or portion thereof, any person may mail in the manner directed by the Postmaster General, separately addressed, identical pieces of third class mail, in quantities of not less than fifty pounds or of not less than two hundred pieces subject to pound rates of postage applicable to the entire bulk mailed at one time.

§ 4453. Permissible marks and enclosures

Only marks and enclosures permissible in the case of fourth class mail, pursuant to section 4555 of this title, may be placed on or enclosed in third class mail.

CHAPTER 67.—FOURTH CLASS MAIL

Sec.

4551. Definition.

4552. Size and weight limitations.

4553. Postal zones.

4554. [Postage rates on books and films.] *Books, films, and other materials; preferred rates.*

4555. Permissible marks and enclosures.

4556. Postage rates on parcel post.

4557. Postage rates on catalogs.

4558. Reformation of conditions of mailability.

4559. Certification on fourth-class mail revenue-cost relationship.

§ 4551. Definition

Fourth class mail consists of mailable matter—

- (1) not mailed or required to be mailed as first class mail;
- (2) within the size and weight limits prescribed for fourth class mail; and
- (3) not entered as second class mail.

§ 4552. Size and weight limitations

* * * * *

(c) The maximum size on fourth-class mail is one hundred inches in girth and length combined, and the maximum weight is seventy pounds for parcels—

* * * * *

(4) addressed to or mailed at any Armed Forces post office outside the fifty States; *and*

(5) addressed to or mailed in the Commonwealth of Puerto Rico, the States of Alaska and Hawaii, or a possession of the United States including the Canal Zone and the Trust Territory of the Pacific Islands **【; and】**

【(6) consisting of reproducers of sound reproduction records for the blind or parts thereof, and of braille writers and other appliances for the blind or parts thereof, mailed under section 4654 of this title】.

§ 4554. **【Postage rates on books, films, and similar educational materials】** *Books, films, and other materials; preferred rates*

(a) Except as provided in subsection (b) of this section, the postage rate is **【9½ cents a pound for the first pound or fraction thereof and 5 cents for each additional pound or fraction thereof when mailed after January 6, 1963 and prior to January 1, 1964, and 10 cents】** *12 cents* for the first pound or fraction thereof and **【5 cents】** *6 cents* for each additional pound or fraction thereof **【when mailed after December 31, 1963】** except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

【(1) complete books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books except additions, supplements, fillers, or similar matter which are mailed thereafter and which are intended to replace or add to material in the complete book originally mailed;】

(1) books, including books issued to supplement other books, containing twenty-four pages or more (at least twenty-two of which are printed), consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than

incidental announcements of books, including any accompanying pad of forms or ballots for use in obtaining expressions of opinion with respect to questions related to the subject matter of the book;

[(2) 16-millimeter films and 16-millimeter film catalogs except when sent to commercial theaters;]

(2) *16-millimeter or narrower width films and catalogs of such films, except when sent to or from commercial theaters;*

(3) printed music, whether in bound form or in sheet form;

(4) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answer, test scores, or identifying information recorded thereon in writing, or by mark;

(5) sound recordings, including incidental announcements of recordings and guides or scripts prepared solely for use with such recordings;

(6) manuscripts for books, periodicals and music;

(7) printed educational reference charts, permanently processed for preservation; and

(8) looseleaf pages, and binders therefor, consisting of medical information for distribution to doctors, hospitals, medical schools, and medical students.

(b) (1) Matter designated in paragraph (2) of this subsection may be mailed at the regular third or fourth class postage rates or at the rate of [4 cents] *5 cents* for the first pound or fraction thereof and [1 cent] *2 cents* for each additional pound or fraction thereof when loaned or exchanged (including cooperative processing by libraries) between—

(A) schools, colleges or universities;

(B) public libraries, *museums and herbaria*, religious, educational, scientific, philanthropic, agricultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members, readers or borrowers.

(2) The materials mailable under the rates prescribed in paragraph (1) of this subsection are—

(A) books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations and containing no advertising matter other than incidental announcements of books;

(B) printed music, whether in bound form or in sheet form;

(C) bound volumes of academic thesis in typewritten or other duplicated form;

(D) periodicals, whether bound or unbound;

(E) sound recordings; [and]

(F) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscript [.] ; and

(G) *museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria.*

(3) Before being entitled to the preferential rates under this subsection, the Postmaster General may require an organization or association to furnish satisfactory evidence to him that none of the net income inures to the benefit of any private stockholder or individual.

(c) 16-millimeter or narrower width films, filmstrips, transparencies for projection, slides, microfilms, sound recordings, *museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria*, scientific or mathematical kits, instruments or other devices and catalogs of those items, and guides or scripts prepared solely for use with such materials may be mailed at the rates prescribed in subsection (b)(1) of this section when sent to or from the institutions, organizations or associations listed in (A) and (B) of subsection (b)(1).

(d) The limit of weight on parcels mailed under this section is 70 pounds.

[(e) The postage rates prescribed in this section shall continue until otherwise provided by the Congress.]

(e) *Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him.*

* * * * *

§ 4555. Permissible marks and enclosures

(a) The sender may not place on or enclose in fourth class mail marks that have the character of personal correspondence, but the following marks and enclosures may be placed on or in fourth class mail when space is left on the address side sufficient for a legible address and necessary stamps—

* * * * *

(9) manuscript accompanying proof sheets; [and]

(10) matter mailable as third-class mail[.]; and

(11) *invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed.*

CHAPTER 69.—POSTAGE RATES FOR MISCELLANEOUS MATTER WITHIN THE VARIOUS CLASSES

Sec.

4651. Keys and other small articles.

4652. Congressional Record.

[4653. Publications for the blind.

[4654. Reproducers and sound reproduction records for the blind.]

4655. *Matter for blind and other handicapped persons.*

4654. *Unsealed letters sent by blind or physically handicapped persons.*

4655. *Markings.*

§ 4651. Keys and other small articles

(a) Any person may mail without prepayment of postage; a key, identification card, identification tag, or similar identification device, or small article which the Postmaster General by regulation designates, which bears, contains, or has attached securely thereto—

(1) a complete, definite, and legible post office address, including any street address or box or route number; and

(2) a notice directing that it be returned to the address, and guaranteeing the payment, on delivery, of the postage due thereon.

(b) Postage at the rate of **[6 cents for each two ounces or fraction thereof]** *14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof*, shall be collected on delivery.

§ 4652. Repealed. Pub. L. 87-793, § 304(a)(3), Oct. 11, 1962, 76 Stat. 840, eff. Jan. 7, 1963.

[§ 4653. Publications for blind persons.

[(a) The following matter may be mailed free of postage—

[(1) books, pamphlets, and other reading matter, including pages thereof:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) in packages not exceeding the weight prescribed by the Postmaster General;

[(C) containing no advertising or other matter whatsoever;

[(D) unsealed;

[(E) sent—

[(i) by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, as a loan to blind readers, or when returned by the blind reader to the lender; or

[(ii) to a blind person without cost to the blind person; or

[(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to be furnished to a blind person without cost to such blind person.

[(2) magazines, periodicals, and other regularly issued publications:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) containing no advertising;

[(C) for which no subscription fee is charged.

[(b) There may be mailed at the rate of postage of 1 cent for each pound or fraction thereof—

[(1) books, pamphlets, and other reading matter, including pages thereof:

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) in packages not exceeding the weight prescribed by the Postmaster General;

[(C) containing no advertising or other matter whatsoever;

[(D) unsealed;

[(E) sent—

[(i) by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, on a rental basis to blind readers, or when returned by the blind reader to such organization, at a price not greater than the cost price thereof; or

[(ii) to a blind person at a price not greater than the cost price thereof; or

[(iii) to an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people) not conducted for private profit, to be furnished to a blind person at a price not greater than the cost price thereof.

[(2) magazines, periodicals, and other regularly issued publications.

[(A) published (whether prepared by hand, or printed) either in raised characters or in sightsaving-size type, or in the form of sound recordings, for use of blind persons;

[(B) containing no advertising;

[(C) when furnished by an institution, agency, publisher, organization, or association (including a library or school and including organizations or associations of or for blind people), not conducted for private profit, to a blind person, at a price not greater than the cost price thereof.

[§ 4654. Reproducers, sound recordings, and other materials and appliances for the preparation of reading matter for blind persons.

[(a) Reproducers, or parts thereof, for sound recordings for blind persons which are the property of the United States Government may be mailed free of postage when sent for repair, or returned after repair—

[(1) by an organization, institution, public library, or association for blind persons, not conducted for private profit;

[(2) by a blind person to such an agency not conducted for private profit;

[(3) from such an agency to an organization, institution, public library, or association for blind persons not conducted for private profit; or

[(4) to a blind person.

[(b) The Postmaster General may extend the free mailing privilege provided by subsection (a) of this section to reproducers or parts thereof for sound recordings for blind persons, Braille writers and other appliances for blind persons or parts thereof, that are the property of—

[(1) State governments or subdivisions thereof;

[(2) public libraries;

[(3) private agencies for the blind not conducted for private profit; or

[(4) blind individuals.

[(c) The Postmaster General may also permit the mailing free of postage of paper, records, tapes, and other materials for use by the recipients for the production (whether by hand or printed) of reading matter either in raised characters or sightsaving-size type, or in the form of sound recordings, for use of blind persons, where such materials are the property of—

- [(1) State governments or subdivisions thereof;
- [(2) public libraries;
- [(3) private agencies for the blind not conducted for private profit; or
- [(4) blind individuals.]

§ 4653. Matter for blind and other handicapped persons

(a) *The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—*

(1) *the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the act of July 30, 1966 (Public Law 89-522; 80 Stat. 330).*

(2) *no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;*

(3) *the matter may be opened by the Postmaster General for inspection;*

(4) *the matter contains no advertising; and*

(5) *the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.*

(b) *The free mailing privilege provided by subsection (a) is extended to—*

(1) *reading matter and musical scores;*

(2) *sound reproductions;*

(3) *paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;*

(4) *reproducers, or parts thereof, for sound reproductions; and*

(5) *Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.*

§ 4654. Unsealed letters sent by blind or physically handicapped persons

Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage.

§ 4655. Markings

All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area.

CHAPTER 91.—DELIVERY SERVICE

* * * * *

§ 6008. Special handling

Upon payment of a special handling fee, [fourth-class mail is] *third-class mail and fourth-class mail* are entitled to the most expeditious handling and transportation practicable, *but such mail is not required to receive the same handling and transportation as airmail.*

TITLE 5, UNITED STATES CODE

* * * * *

Subpart B.—Employment and Retention

CHAPTER 31.—AUTHORITY FOR EMPLOYMENT

Sec.

- 3101. General authority to employ.
- 3102. Employment of readers for blind employees.
- 3103. Employment at seat of Government only for services rendered.
- 3104. Employment of specially qualified scientific and professional personnel.
- 3105. Appointment of hearing examiners.
- 3106. Employment of attorneys; restrictions.
- 3107. Employment of publicity experts; restrictions.
- 3108. Employment of detective agencies; restrictions.
- 3109. Employment of experts and consultants; temporary or intermittent.
- 3110. *Employment of relatives; restrictions.*

§ 3110. *Employment of relatives; restrictions*(a) *For the purpose of this section—*(1) *“agency” means—*

- (A) *an Executive agency;*
- (B) *an office, agency, or other establishment in the legislative branch;*
- (C) *an office, agency, or other establishment in the judicial branch; and*
- (D) *the government of the District of Columbia;*

(2) *“public official” means an officer (including the President and a Member of Congress), a member of the uniformed services, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and*

(3) *“relative” means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.*

(b) *A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advance-*

ment, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control, any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official serving in or exercising jurisdiction or control over the agency who is a relative of the individual.

(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible.

* * * * *

§ 4101. Definitions

For the purpose of this chapter—

* * * * *

(2) “employee”, subject to section 4102 of this title, means—

(A) an individual employed in or under an agency; and

(B) a commissioned officer of the [Coast and Geodetic Survey] *Environmental Science Services Administration*;

* * * * *

§ 5303. Higher minimum rates: Presidential authority.

(a) When the President finds that the pay rates in private enterprise for one or more occupations in one or more areas or locations are so substantially above the pay rates of statutory pay schedules as to handicap significantly the Government’s recruitment or retention of well-qualified individuals in positions paid under—

(1) section 5332 of this title;

(2) the provisions of part III of title 39 relating to employees in the postal field service;

(3) the pay scales for physicians, dentists, and nurses in the Department of Medicine and Surgery, Veterans’ Administration, under chapter 73 of title 38; or

(4) sections 867 and 870 of title 22;

he may establish for the areas or locations higher minimum rates of basic pay for one or more grades or levels, occupational groups, series, classes, or sub-divisions thereof, and may make corresponding increases in all step rates of the pay range for each such grade or level. However, a minimum rate so established may not exceed the [seventh] *maximum* pay rate prescribed by statute for the grade or level. The

President may authorize the exercise of the authority conferred on him by this section by the Civil Service Commission or, in the case of individuals not subject to the provisions of this title governing appointment in the competitive service, by such other agency as he may designate.

(b) Within the limitations of subsection (a) of this section, rates of basic pay established under that subsection may be revised from time to time by the President or by such agency as he may designate. The actions and revisions have the force and effect of statute.

(c) An increase in rate of basic pay established under this section is not an equivalent increase in pay within the meaning of section 5335(a) of this title and section 3552 of title 39.

[(d) The rate of basic pay, established under this section, and received by an individual immediately before the effective date of a statutory increase in the pay schedules of the pay systems specified in subsection (a) of this section shall be initially adjusted on the effective date of the new pay schedules under conversion regulations prescribed by the President or by such agency as he may designate.]

(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate.

* * * * *

§ 5314. Positions at level III.

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is **[\$28,500]** \$29,500:

- (1) Deputy Attorney General.
- (2) Solicitor General of the United States.
- (3) Deputy Postmaster General.
- (4) Under Secretary of Agriculture.
- (5) Under Secretary of Commerce.
- (6) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (7) Under Secretary of Health, Education, and Welfare.
- (8) Under Secretary of the Interior.
- (9) Under Secretary of Labor.
- (10) Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs.
- (11) Under Secretary of the Treasury.
- (12) Under Secretary of the Treasury for Monetary Affairs.
- (13) Administrator of General Services.
- (14) Administrator of the Small Business Administration.
- (15) Deputy Administrator of Veterans' Affairs.
- (16) Deputy Administrator, Agency for International Development.
- (17) Chairman, Civil Aeronautics Board.
- (18) Chairman of the United States Civil Service Commission.
- (19) Chairman, Federal Communications Commission.
- (20) Chairman, Board of Directors, Federal Deposit Insurance

Corporation.

- (21) Chairman of the Federal Home Loan Bank Board.
- (22) Chairman, Federal Power Commission.
- (23) Chairman, Federal Trade Commission.
- (24) Chairman, Interstate Commerce Commission.
- (25) Chairman, National Labor Relations Board.
- (26) Chairman, Securities and Exchange Commission.
- (27) Chairman, Board of Directors of the Tennessee Valley

Authority.

- (28) Chairman, National Mediation Board.
- (29) Chairman, Railroad Retirement Board.
- (30) Chairman, Federal Maritime Commission.
- (31) Comptroller of the Currency.
- (32) Commissioner of Internal Revenue.
- (33) Director of Defense Research and Engineering, Department of Defense.
- (34) Deputy Administrator of the National Aeronautics and Space Administration.
- (35) Deputy Director of the Bureau of the Budget.
- (36) Deputy Director of Central Intelligence.
- (37) Director of the Office of Emergency Planning.
- (38) Director of the Peace Corps.
- (39) Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration.
- (40) Director of the National Science Foundation.
- (41) Repealed. Pub. L. 90-83.
- (42) President of the Export-Import Bank of Washington.
- (43) Members, Atomic Energy Commission.
- (44) Members, Board of Governors of the Federal Reserve System.
- (45) Director of the Federal Bureau of Investigation, Department of Justice.
- (46) Administrator, Federal Highway Administration.
- (47) Administrator, Federal Railroad Administration.
- (48) Chairman, National Transportation Safety Board.
- (49) Chairman of the National Endowment for the Arts the incumbent of which also serves as Chairman of the National Council on the Arts.
- (50) Chairman of the National Endowment for the Humanities.
- (51) Director of the Federal Mediation and Conciliation Service.
- (52) Under Secretary of Housing and Urban Development.

§ 5315. Positions at level IV.

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay is **[\$27, 000] \$28,750**:

- (1) Administrator, Bureau of Security and Consular Affairs, Department of State.
- (2) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (3) Deputy Administrator of General Services.
- (4) Associate Administrator of the National Aeronautics and Space Administration.

(5) Assistant Administrators, Agency for International Development (6).

(6) Regional Assistant Administrators, Agency for International Development (4).

(7) Under Secretary of the Air Force.

(8) Under Secretary of the Army.

(9) Under Secretary of the Navy.

(10) Deputy Under Secretaries of State (2).

(11) Assistant Secretaries of Agriculture (3).

(12) Assistant Secretaries of Commerce (5).

(13) Assistant Secretaries of Defense (7).

(14) Assistant Secretaries of the Air Force (3).

(15) Assistant Secretaries of the Army (3).

(16) Assistant Secretaries of the Navy (3).

(17) Assistant Secretaries of Health, Education, and Welfare (5).

(18) Assistant Secretaries of the Interior (5).

(19) Assistant Attorneys General (9).

(20) Assistant Secretaries of Labor (4).

(21) Assistant Postmasters General (6).

(22) Assistant Secretaries of State (11).

(23) Assistant Secretaries of the Treasury (4).

(24) Chairman of the United States Tariff Commission.

(25) Repealed. Pub. L. 90-83.

(26) Repealed. Pub. L. 90-83.

(27) Repealed. Pub. L. 90-83.

(28) Repealed. Pub. L. 90-83.

(29) Director of Civil Defense, Department of the Army.

(30) Repealed. Pub. L. 90-83.

(31) Deputy Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration.

(32) Deputy Director of the Office of Emergency Planning.

(33) Deputy Director of the Office of Science and Technology.

(34) Deputy Director of the Peace Corps.

(35) Deputy Director of the United States Arms Control and Disarmament Agency.

(36) Deputy Director of the United States Information Agency.

(37) Assistant Directors of the Bureau of the Budget (3).

(38) General Counsel of the Department of Agriculture.

(39) General Counsel of the Department of Commerce.

(40) General Counsel of the Department of Defense.

(41) General Counsel of the Department of Health, Education, and Welfare.

(42) Solicitor of the Department of the Interior.

(43) Solicitor of the Department of Labor.

(44) General Counsel of the National Labor Relations Board.

(45) General Counsel of the Post Office Department.

(46) Counselor of the Department of State.

(47) Legal Adviser of the Department of State.

(48) General Counsel of the Department of the Treasury.

(49) First Vice President of the Export-Import Bank of

Washington.

- (50) General Manager of the Atomic Energy Commission.
- (51) Governor of the Farm Credit Administration.
- (52) Inspector General, Foreign Assistance.
- (53) Deputy Inspector General, Foreign Assistance.
- (54) Members, Civil Aeronautics Board.
- (55) Members, Council of Economic Advisers.
- (56) Members, Board of Directors of the Export-Import Bank of Washington..
- (57) Members, Federal Communications Commission.
- (58) Member, Board of Directors of the Federal Deposit Insurance Corporation.
- (59) Members, Federal Home Loan Bank Board.
- (60) Members, Federal Power Commission.
- (61) Members, Federal Trade Commission.
- (62) Members, Interstate Commerce Commission.
- (63) Members, National Labor Relations Board.
- (64) Members, Securities and Exchange Commission.
- (65) Members, Board of Directors of the Tennessee Valley Authority.
- (66) Members, United States Civil Service Commission.
- (67) Members, Federal Maritime Commission.
- (68) Members, National Mediation Board.
- (69) Members, Railroad Retirement Board.
- (70) Director of Selective Service.
- (71) Associate Director of the Federal Bureau of Investigation, Department of Justice.
- (72) Chairman, Equal Employment Opportunity Commission.
- (73) Chief of Protocol, Department of State.
- (74) Director, Bureau of Intelligence and Research, Department of State.
- (75) Director, Community Relations Service.
- (76) United States Attorney for the District of Columbia.
- (77) United States Attorney for the Southern District of New York.
- (78) Members, National Transportation Safety Board.
- (79) General Counsel, Department of Transportation.
- (80) Deputy Administrator, Federal Aviation Administration.
- (81) Assistant Secretaries of Transportation (4).
- (82) Director of Public Roads.
- (83) Administrator of the St. Lawrence Seaway Development Corporation.
- (84) Assistant Secretary for Science, Smithsonian Institution.
- (85) Assistant Secretary for History and Art, Smithsonian Institution.
- (86) Deputy Administrator of the Small Business Administration.
- (87) Assistant Secretaries of Housing and Urban Development (4).
- (88) General Counsel of the Department of Housing and Urban Development.
- (89) Commissioner of Interama.

§ 5316. Positions at level V.

Level V of the Executive Schedule applies to the following positions for which the annual rate of basic pay is **[\$26,000]** \$28,000:

(1) Administrator, Agricultural Marketing Service, Department of Agriculture.

(2) Administrator, Agricultural Research Service, Department of Agriculture.

(3) Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture.

(4) Administrator, Farmers Home Administration.

(5) Administrator, Foreign Agricultural Service, Department of Agriculture.

(6) Administrator, Rural Electrification Administration, Department of Agriculture.

(7) Administrator, Soil Conservation Service, Department of Agriculture.

(8) Administrator, Bonneville Power Administration, Department of the Interior.

(9) Administrator of the National Capital Transportation Agency.

(10) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.

(11) Associate Administrators of the Small Business Administration (3).

(12)-(14) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.

(15) Associate Administrator for Advanced Research and Technology, National Aeronautics and Space Administration.

(16) Associate Administrator for Space Science and Applications, National Aeronautics and Space Administration.

(17) Associate Administrator for Manned Space Flight, National Aeronautics and Space Administration.

(18) Associate Deputy Administrator, National Aeronautics and Space Administration.

(19) Deputy Associate Administrator, National Aeronautics and Space Administration.

(20) Associate Deputy Administrator of Veterans' Affairs.

(21) Archivist of the United States.

(22) Repealed—Pub. L. 90-83.

(23) Assistant Secretary of Agriculture for Administration.

(24) Assistant Secretary of Health, Education, and Welfare for Administration.

(25) Assistant Secretary of the Interior for Administration.

(26) Assistant Attorney General for Administration.

(27) Assistant Secretary of Labor for Administration.

(28) Assistant Secretary of the Treasury for Administration.

(29) Assistant General Manager, Atomic Energy Commission.

(30) Assistant and Science Adviser to the Secretary of the Interior.

(31) Chairman, Foreign Claims Settlement Commission of the United States.

(32) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.

- (33) Chairman of the Renegotiation Board.
- (34) Chairman of the Subversive Activities Control Board.
- (35) Chief Counsel for the Internal Revenue Service, Department of the Treasury.
- (36) Chief Forester of the Forest Service, Department of Agriculture.
- (37) Chief Postal Inspector, Post Office Department.
- (38) Repealed. Pub. L. 90-83.
- (39) Commissioner of Customs, Department of the Treasury.
- (40) Commissioner, Federal Supply Service, General Services Administration.
- (41) Commissioner of Education, Department of Health, Education, and Welfare.
- (42) Commissioner of Fish and Wildlife, Department of the Interior.
- (43) Commissioner of Food and Drugs, Department of Health, Education, and Welfare.
- (44) Commissioner of Immigration and Naturalization, Department of Justice.
- (45) Commissioner of Indian Affairs, Department of the Interior.
- (46) Repealed. Pub. L. 90-9.
- (47) Commissioners, Indian Claims Commission (5).
- (48) Commissioner of Patents, Department of Commerce.
- (49) Commissioner, Public Buildings Service, General Services Administration.
- (50) Commissioner of Reclamation, Department of the Interior.
- (51) Commissioner of Social Security, Department of Health, Education, and Welfare.
- (52) Commissioner of Vocational Rehabilitation, Department of Health, Education, and Welfare.
- (53) Commissioner of Welfare, Department of Health, Education, and Welfare.
- (54) Director, Advanced Research Projects Agency, Department of Defense.
- (55) Director of Agricultural Economics, Department of Agriculture.
- (56) Director, Bureau of the Census, Department of Commerce.
- (57) Director, Bureau of Mines, Department of the Interior.
- (58) Director, Bureau of Prisons, Department of Justice.
- (59) Director, Geological Survey, Department of the Interior.
- (60) Director, Research and Development, Post Office Department.
- (61) Director, National Bureau of Standards, Department of Commerce.
- (62) Director of Regulation, Atomic Energy Commission.
- (63) Director of Science and Education, Department of Agriculture.
- (64) Deputy Under Secretary for Monetary Affairs, Department of the Treasury.
- (65) Deputy Commissioner of Internal Revenue, Department of the Treasury.

- (66) Deputy Director, National Science Foundation.
- (67) Deputy Director, Policy and Plans, United States Information Agency.
- (68) Deputy General Counsel, Department of Defense.
- (69) Deputy General Manager, Atomic Energy Commission.
- (70) Associate Director of the Federal Mediation and Conciliation Service.
- (71) Associate Director for Volunteers, Peace Corps.
- (72) Associate Director for Program Development and Operations, Peace Corps.
- (73) Assistants to the Director of the Federal Bureau of Investigation, Department of Justice (2).
- (74) Assistant Directors, Office of Emergency Planning (3).
- (75) Assistant Directors, United States Arms Control and Disarmament Agency (4).
- (76) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (77) Fiscal Assistant Secretary of the Treasury.
- (78) General Counsel of the Agency for International Development.
- (79) General Counsel of the Department of the Air Force.
- (80) General Counsel of the Department of the Army.
- (81) General Counsel of the Atomic Energy Commission.
- (82) Repealed. Pub. L. 89-670, § 10(e), Oct. 15, 1966, 80 Stat. 948.
- (83) Repealed. Pub. L. 90-83.
- (84) General Counsel of the Department of the Navy.
- (85) General Counsel of the United States Arms Control and Disarmament Agency.
- (86) General Counsel of the National Aeronautics and Space Administration.
- (87) Governor of the Canal Zone.
- (88) Manpower Administrator, Department of Labor.
- (89) Maritime Administrator, Department of Commerce.
- (90) Members, Foreign Claims Settlement Commission of the United States.
- (91) Members, Renegotiation Board.
- (92) Members, Subversive Activities Control Board.
- (93) Members, United States Tariff Commission.
- (94) Repealed. Pub. L. 90-83.
- (95) Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.
- (96) Deputy Directory of Defense Research and Engineering, Department of Defense (4).
- (97) Assistant Administrator of General Services.
- (98) Director, United States Travel Service, Department of Commerce.
- (99) Executive Director of the United States Civil Service Commission.

(100) Administrator, Wage and Hour and Public Contracts Division, Department of Labor.

(101) Assistant Director (Program Planning, Analysis and Research), Office of Economic Opportunity.

(102) Assistant General Managers, Atomic Energy Commission (2).

(103) Associate Director (Policy and Plans), United States Information Agency.

(104) Chief Benefits Director, Veterans' Administration.

(105) Commissioner of Labor Statistics, Department of Labor.

(106) Deputy Director, National Security Agency.

(107) Director, Bureau of Land Management, Department of the Interior.

(108) Director, National Park Service, Department of the Interior.

(109) Director of International Scientific Affairs, Department of State.

(110) General Counsel of the Veterans' Administration.

(111) Members, Equal Employment Opportunity Commission (4).

(112) National Export Expansion Coordinator, Department of Commerce.

(113) Special Assistant to the Secretary of Defense.

(114) Staff Director, Commission on Civil Rights.

(115) United States Attorney for the Northern District of Illinois.

(116) United States Attorney for the Southern District of California.

(117) Assistant Secretary for Administration, Department of Transportation.

(118) Director, United States National Museum, Smithsonian Institution.

(119) Director, Smithsonian Astrophysical Observatory, Smithsonian Institution.

(120) Administrator for Economic Development.

(121) Administrator of the Environmental Science Services Administration.

(122) Assistant Secretary of Housing and Urban Development for Administration.

(123) Director, Construction Engineering, Post Office Department.

(124) Director, National Highway Safety Bureau.

(125) Director, National Traffic Safety Bureau.

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§ 5332. The General Schedule.

(a) The General Schedule, the symbol for which is "GS," is the basic pay schedule for positions to which this subchapter applies. Each employee to whom this subchapter applies is entitled to basic pay in accordance with the General Schedule.

GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,609	\$3,731	\$3,853	\$3,975	\$4,097	\$4,219	\$4,341	\$4,463	\$4,585	\$4,707
GS-2.....	3,925	4,058	4,191	4,324	4,457	4,590	4,723	4,856	4,989	5,122
GS-3.....	4,269	4,413	4,557	4,701	4,845	4,989	5,133	5,277	5,421	5,565
GS-4.....	4,776	4,936	5,096	5,256	5,416	5,576	5,736	5,896	6,056	6,216
GS-5.....	5,531	5,507	5,683	5,859	6,035	6,211	6,387	6,563	6,739	6,916
GS-6.....	5,867	6,065	6,263	6,461	6,659	6,857	7,055	7,253	7,451	7,649
GS-7.....	6,451	6,664	6,877	7,090	7,303	7,516	7,729	7,942	8,155	8,368
GS-8.....	7,068	7,303	7,538	7,773	8,008	8,243	8,478	8,713	8,948	9,183
GS-9.....	7,696	7,957	8,218	8,479	8,740	9,001	9,262	9,523	9,784	10,045
GS-10.....	8,421	8,709	8,997	9,285	9,573	9,861	10,149	10,437	10,725	11,013
GS-11.....	9,221	9,536	9,851	10,166	10,481	10,796	11,111	11,426	11,741	12,056
GS-12.....	10,927	11,306	11,685	12,064	12,443	12,822	13,201	13,580	13,959	14,338
GS-13.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561	16,009	16,457	16,905
GS-14.....	15,106	15,629	16,152	16,675	17,198	17,721	18,244	18,767	19,290	19,813
GS-15.....	17,550	18,157	18,764	19,371	19,978	20,585	21,192	21,799	22,406	23,013
GS-16.....	20,075	20,745	21,415	22,085	22,755	23,425	24,095	24,765	25,435	-----
GS-17.....	22,760	23,520	24,280	25,040	25,800	-----	-----	-----	-----	-----
GS-18.....	25,890	-----	-----	-----	-----	-----	-----	-----	-----	-----

GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17.....	23,783	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18.....	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

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Subchapter IV.—Prevailing Rate Systems

Sec.

5341. Trades and crafts.

5342. Crews of vessels.

5343. Effective date of pay increase.

5344. Retroactive pay.

5345. Position classification appeals.

* * * * *

§ 5345. Position classification appeals

On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

(1) *ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;*

(2) *decide whether the position has been properly classified; and*

(3) *approve, disapprove, or modify, in accordance with its determination, the action of the employing agency in classifying the position.*

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials.

* * * * *

§ 5533. Dual pay from more than one position; limitations, exceptions

* * * * *

[(c) (1) Except as provided by paragraph (2) of this subsection unless otherwise authorized by law, appropriated funds are not available for payments to an individual of pay from more than one position if the aggregate amount of the basic pay from the positions exceeds \$2,000 a year, and if

[(A) the pay of one of the positions is paid by the Clerk of the House of Representatives (in the case of employees receiving basic rates of compensation) ; or

[(B) one of the positions is under the Office of the Architect of the Capitol.

[(2) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position is the aggregate (gross) compensation from the position exceeds \$5,987 a year, and if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives (in the case of employees receiving single per annum rates of compensation).]

(c) (1) *Unless authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the aggregate gross pay from the positions exceeds \$6,256 a year, and if—*

(A) the pay of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives; or

(B) one of the positions is under the Office of the Architect of the Capitol.

(2) *For the purpose of this subsection, “gross pay” means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter.*

* * * * *

§ 5542. Overtime rates; computation

* * * * *

(b) For the purpose of this subchapter—

* * * * *

(2) time spent in a travel status away from the official-duty station of an employee is not hours of employment unless—

(A) the time spent is within the days and hours of the regularly scheduled administrative workweek of the employee, including regularly scheduled overtime hours; or

[(B) the travel involves the performance of work while traveling or is carried out under arduous conditions.]

(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.

* * * * *

§ 5544. Wage-board overtime and Sunday rates; computation

(a) An employee whose basic rate of pay is fixed and adjusted from time to time in accordance with prevailing rates by a wage board or similar administrative authority serving the same purpose is entitled to overtime pay for overtime work in excess of 8 hours a day or 40 hours a week. However, an employee subject to this subsection who regularly is required to remain at or within the confines of his post of duty in excess of 8 hours a day in a standby or on-call status is entitled to overtime pay only for hours of duty, exclusive of eating and sleeping time, in excess of 40 a week. The overtime hourly rate of pay is computed as follows:

(1) If the basic rate of pay of the employee is fixed on a basis other than an annual or monthly basis, multiply the basic hourly rate of pay by not less than one and one-half.

(2) If the basic rate of pay of the employee is fixed on an annual basis, divide the basic annual rate of pay by 2,080, and multiply the quotient by one and one-half.

(3) If the basic rate of pay of the employee is fixed on a monthly basis, multiply the basic monthly rate of pay by 12 to derive a basic annual rate of pay, divide the basic annual rate of pay by 2,080, and multiply the quotient by one and one-half. An employee subject to this subsection whose regular work schedule includes an 8-hour period of service a part of which is on Sunday is entitled to additional pay at the rate of 25 percent of his hourly rate of basic pay for each hour of work performed during that 8-hour period of service. *Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.*

* * * * *

§ 5545. Night, Sunday, standby, irregular, and hazardous duty differential

(a) Except as provided by subsection (b) of this section, nightwork is regularly scheduled work between the hours of 6:00 p.m. and 6:00 a.m., and includes—

(1) periods of absence with pay during these hours due to holidays; and

(2) periods of leave with pay during these hours if the periods of leave with pay during a pay period total less than 8 hours.

Except as otherwise provided by subsection (c) of this section, an employee is entitled to pay for nightwork at his rate of basic pay plus premium pay amounting to 10 percent of that basic rate. This subsection and subsection (b) of this section do not modify section 180 of title 31, or other statute authorizing additional pay for nightwork.

(b) The head of an agency may designate a time after 6:00 p.m. and a time before 6:00 a.m. as the beginning and end, respectively, of nightwork for the purpose of subsection (a) of this section, at a post outside the United States where the customary hours of business extend into the hours of nightwork provided by subsection (a) of this section.

(c) The head of an agency, with the approval of the Civil Service Commission, may provide that—

* * * * *

(2) an employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night, on Sundays, and on holidays with the employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for regularly scheduled overtime duty. Premium pay under this paragraph is determined as an appropriate percentage, not in excess of [15] 25 percent, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS-10, by taking into consideration the frequency and duration of night, Sunday, holiday, and unscheduled overtime duty required in the position.

* * * * *

Subchapter II.—Travel and Transportation Expenses; New Appointees, Student Trainees, and Transferred Employees

Sec.

5721. Definitions.

5722. Travel and transportation expenses of new appointees; posts of duty outside the continental United States.

5723. Travel and transportation expenses of new appointees and student trainees; manpower shortage positions.

5724. Travel and transportation expenses of employees transferred; advancement of funds; reimbursement on commuted basis.

5724a. Relocation expenses of employees transferred or reemployed.

5725. Transportation expenses; employees assigned to danger areas.

5726. Storage expenses; household goods and personal effects.

5727. Transportation of motor vehicles.
 5728. Travel and transportation expenses; vacation leave.
 5729. Transportation expenses; prior return of family.
 5730. Funds available.
 5731. Expenses limited to lowest first-class rate.
 5732. General average contribution; payment or reimbursement.
 5733. *Expeditious travel.*

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§ 5733. *Expeditious travel*

The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel.

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§ 8339. Computation of annuity

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(e) The annuity computed under subsections (a)–(d) of this section may not exceed 80 percent of—

(1) the average pay of the employee; or

[(2) the final basic pay of the Member.]

(2) *the greater of—*

(A) *the final basic pay of the Member; or*

(B) *the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b) (1) of this title.*

* * * * *

Sec.

8701. Definition.
 8702. Automatic coverage.
 8703. Benefit certificate.
 8704. Group insurance; amounts.
 8705. Death claims; order of procedure; escheat.
 8706. Termination of insurance.
 8707. Employee deductions; withholding.
 8708. Government contributions.
 8709. Insurance policies.
 8710. Reinsurance.
 8711. Basic tables of premium rates.
 8712. Annual accounting; special contingency reserve.
 8713. Advisory committee.
 8714. Employees' Life Insurance Fund.
 8714a. *Optional insurance.*
 8715. Jurisdiction of courts.
 8716. Regulations.

* * * * *

§ 8704. Group insurance; amounts

[(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance approximating his annual pay not exceeding \$20,000 plus an equal amount of group accidental death and dismemberment insurance in accordance with the following schedule:

If annual pay is—		The amount of group life insurance shall be—	The amount of group accidental death and dismemberment insurance shall be—
Greater than—	But not greater than—		
0	\$1,000	\$1,000	\$1,000
\$1,000	2,000	2,000	2,000
2,000	3,000	3,000	3,000
3,000	4,000	4,000	4,000
4,000	5,000	5,000	5,000
5,000	6,000	6,000	6,000
6,000	7,000	7,000	7,000
7,000	8,000	8,000	8,000
8,000	9,000	9,000	9,000
9,000	10,000	10,000	10,000
10,000	11,000	11,000	11,000
11,000	12,000	12,000	12,000
12,000	13,000	13,000	13,000
13,000	14,000	14,000	14,000
14,000	15,000	15,000	15,000
15,000	16,000	16,000	16,000
16,000	17,000	17,000	17,000
17,000	18,000	18,000	18,000
18,000	19,000	19,000	19,000
19,000	-----	20,000	20,000

(a) *An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:*

If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000

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§ 8707. Employee deductions; withholding

During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, [an amount determined by the Commission] *there shall be withheld from the pay of the employee [, as] his share of the cost of [his] the group life insurance and accidental death and dismemberment insurance. [The amount may not exceed the rate of 25 cents biweekly for each \$1,000 of his group life insurance. The amount withheld from an employee paid on other than a biweekly basis is determined at a proportional rate adjusted to the nearest cent.] The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66 $\frac{2}{3}$ percent of the level cost of each \$1,000 of insurance, as determined by the Commission.*

§ 8708. Government contributions.

(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum [computed at a rate determined by the Commission] *equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him. [The sum may not exceed one-half the amount which is withheld from the pay of the employee under section 8707 of this title.]*

* * * * *

§ 8714a. Optional insurance

(a) *Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy of optional insurance, which shall make available to each insured employee optional insurance in addition to the amounts shown in section 8704(a) of this title.*

(b) *The optional insurance shall be made available in amounts approved by the Commission, not to exceed \$10,000 of optional life insurance plus an equal amount of optional accidental death and dismemberment insurance, and under such conditions as the Commission shall prescribe.*

(c) (1) *The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.*

(2) *So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—*

(A) *the full period or periods of service during which the optional insurance was available to him; or*

(B) *the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;*

whichever is shorter, may be continued—

(A) *after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or*

(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title.

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TITLE 38, UNITED STATES CODE

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§ 4107. Grades and pay scales

(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

[SECTION 4103 SCHEDULE

[Assistant Chief Medical Director, \$25,890.

[Medical Director, \$22,760 minimum to \$25,800 maximum.

[Director, Nursing Service, \$17,550 minimum to \$23,013 maximum.

[Director, Chaplain Service, \$17,550 minimum to \$23,013 maximum.

[Chief Pharmacist, \$17,550 minimum to \$23,013 maximum.

[Chief Dietitian, \$17,550 minimum to \$23,013 maximum.]

Section 4103 Schedule

Assistant Chief Medical Director, \$27,055.

Medical Director, \$23,788 minimum to \$26,960 maximum.

Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

(b)(1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

【PHYSICIAN AND DENTIST SCHEDULE

- 【Director grade, \$20,075 minimum to \$25,435 maximum.
- 【Executive grade, \$18,730 minimum to \$24,355 maximum.
- 【Chief grade, \$17,550 minimum to \$23,013 maximum.
- 【Senior grade, \$15,106 minimum to \$19,813 maximum.
- 【Intermediate grade, \$12,873 minimum to \$16,905 maximum.
- 【Full grade, \$10,927 minimum to \$14,338 maximum.
- 【Associate grade, \$9,221 minimum to \$12,056 maximum.

【NURSE SCHEDULE

- 【Assistant Director grade, \$15,106 minimum to \$19,813 maximum.
- 【Chief grade, \$12,873 minimum to \$16,905 maximum.
- 【Senior grade, \$10,297 minimum to \$14,338 maximum.
- 【Intermediate grade, \$9,221 minimum to \$12,056 maximum.
- 【Full grade, \$7,696 minimum to \$10,045 maximum.
- 【Associate grade, \$6,730 minimum to \$8,749 maximum.
- 【Junior grade, \$5,867 minimum to \$7,649 maximum.】

Physician and Dentist Schedule

- Director grade, \$20,982 minimum to \$26,574 maximum.*
- Executive grade, \$19,576 minimum to \$25,444 maximum.*
- Chief grade, \$18,404 minimum to \$23,921 maximum.*
- Senior grade, \$15,841 minimum to \$20,593 maximum.*
- Intermediate grade, \$13,507 minimum to \$17,557 maximum.*
- Full grade \$11,461 minimum to \$14,899 maximum.*
- Associate grade, \$9,657 minimum to \$12,555 maximum.*

Nurse Schedule

- Assistant Director grade, \$15,841 minimum to \$20,593 maximum.*
- Chief grade, \$13,507 minimum to \$17,557 maximum.*
- Senior grade, \$11,461 minimum to \$14,899 maximum.*
- Intermediate grade, \$9,657 minimum to \$12,555 maximum.*
- Full grade, \$8,054 minimum to \$10,475 maximum.*
- Associate grade, \$7,033 minimum to \$9,139.*
- Junior grade, \$6,137 minimum to \$7,982 maximum.*

(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director for a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had seen service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to [the provisions of the Classification Act of 1949, as amended] chapter 51 and subchapter III of chapter 53 of title 5.

FOREIGN SERVICE ACT OF 1946

(22 U.S.C. 867 AND 870)

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SEC. 412. There shall be ten classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be at the rate provided by law for level IV of the Federal Executive Salary Schedule. The per annum salary of a career minister shall be at the rate provided by law for level V of such schedule. The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

Class 1.....	\$23,935	\$24,770	\$25,890				
Class 2.....	19,333	20,004	20,675	\$21,347	\$22,018	\$22,689	\$23,360
Class 3.....	15,841	16,391	16,941	17,491	18,041	18,591	19,141
Class 4.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561
Class 5.....	10,602	10,970	11,338	11,706	12,074	12,442	12,810
Class 6.....	8,843	9,147	9,451	9,755	10,059	10,363	10,667
Class 7.....	7,473	7,724	7,975	8,226	8,477	8,728	8,979
Class 8.....	6,451	6,664	6,877	7,090	7,303	7,516	7,729

Class 1.....	\$24,944	\$25,776	\$27,055				
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084

* * * * *

SEC. 415. (a) There shall be ten classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum salaries of such staff officers and employees within each class shall be as follows:

Class 1.....	\$15,841	\$16,391	\$16,941	\$17,491	\$18,041	\$18,591	\$19,141	\$19,691	\$20,241	\$20,791
Class 2.....	12,873	13,321	13,769	14,217	14,665	15,113	15,561	16,009	16,457	16,905
Class 3.....	10,602	10,970	11,338	11,706	12,074	12,442	12,810	13,178	13,546	13,914
Class 4.....	8,843	9,147	9,451	9,755	10,059	10,363	10,667	10,971	11,275	11,579
Class 5.....	7,974	8,246	8,518	8,790	9,062	9,334	9,606	9,878	10,150	10,422
Class 6.....	7,201	7,441	7,681	7,921	8,161	8,401	8,641	8,881	9,121	9,361
Class 7.....	6,614	6,832	7,050	7,268	7,486	7,704	7,922	8,140	8,358	8,576
Class 8.....	5,853	6,051	6,249	6,447	6,645	6,843	7,041	7,239	7,437	7,635
Class 9.....	5,341	5,517	5,693	5,869	6,045	6,221	6,397	6,573	6,749	6,925
Class 10.....	4,776	4,936	5,096	5,256	5,416	5,576	5,736	5,896	6,056	6,216

Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

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TITLE 28, UNITED STATES CODE

* * * * *

§ 603. Salaries.

[The Director shall receive a salary of \$27,000 a year. The Deputy Director shall receive a salary of \$26,000 a year.]

The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5.

* * * * *

§ 792. Commissioners

* * * * *

(b) Each commissioner shall receive basic compensation at the rate of **[\$26,000]** *\$29,000* a year, and also all necessary traveling expenses and a per diem allowance as provided in the Travel Expense Act of 1949, as amended, while traveling on official business and away from Washington, District of Columbia.

* * * * *

LEGISLATIVE BRANCH APPROPRIATION ACT, 1968

* * * * *

SEC. 105. (a) (1) Whenever the rate of compensation of any employee whose compensation is disbursed by the Secretary of the Senate is fixed or adjusted on or after the effective date of this section, such rate as so fixed or adjusted shall be a single per annum gross rate which is a multiple of **[\$180]** *\$188*.

* * * * *

(d) (1) On and after the effective date of this section, the aggregate of the per annum gross rates of compensation of employees in the office of a Senator shall not at any time exceed—

[\$190,800 if the population of his State is less than 3,000,000;
[\$203,400 if such population is 3,000,000 but less than 4,000,000;
[\$214,200 if such population is 4,000,000 but less than 5,000,000;
[\$224,100 if such population is 5,000,000 but less than 7,000,000;
[\$234,900 if such population is 7,000,000 but less than 9,000,000;
[\$247,500 if such population is 9,000,000 but less than 10,000,000;
[\$260,100 if such population is 10,000,000 but less than 11,000,000;

[\$272,700 if such population is 11,000,000 but less than 12,000,000;

[\$285,300 if such population is 12,000,000 but less than 13,000,000;

[\$297,900 if such population is 13,000,000 but less than 15,000,000;

[\$310,500 if such population is 15,000,000 but less than 17,000,000; or

[\$324,000 if such population is 17,000,000 or more.]

\$199,280 if the population of his State is less than 3,000,000;

\$212,440 if such population is 3,000,000 but less than 4,000,000;

\$223,720 if such population is 4,000,000 but less than 5,000,000;
\$234,060 if such population is 5,000,000 but less than 7,000,000;
\$245,340 if such population is 7,000,000 but less than 9,000,000;
\$258,500 if such population is 9,000,000 but less than 10,000,000;
\$271,660 if such population is 10,000,000 but less than 11,000,000;
\$284,820 if such population is 11,000,000 but less than 12,000,000;
\$297,980 if such population is 12,000,000 but less than 13,000,000;
\$311,140 if such population is 13,000,000 but less than 15,000,000;
\$324,300 if such population is 15,000,000 but less than 17,000,000;
\$338,400 if such population is 17,000,000 or more.

(2) Within the limits prescribed by paragraph (1) of this subsection, Senators may fix the number and the rates of compensation of employees in their respective offices. The salary of an employee in a Senator's office shall not be fixed under this paragraph at a gross rate less than **[\$1,080]** \$1,128 per annum or in excess of **[\$14,400]** \$15,040 per annum, except that (i) the salary of one employee may be fixed at a gross rate of not more than **[\$18,180]** \$18,988 per annum, (ii) the salary of one employee may be fixed at a gross rate of not more than **[\$22,320]** \$23,312 per annum, (iii) the salaries of two employees may be fixed at gross rates of not more than **[\$23,400]** \$24,440 per annum, and (iv) the salary of one employee may be fixed at a gross rate of not more than **[\$24,480]** \$25,568 per annum. A Senator may establish such titles for positions in his office as he may desire to designate, by written notification to the disbursing office of the Senate.

(e)(1) Subject to the provisions of paragraph (3), the professional staff members of standing committees of the Senate shall receive gross annual compensation, to be fixed by the chairman ranging from **[\$14,220]** \$14,852 to **[\$22,320]** \$23,312.

(2) The rates of gross compensation of the clerical staff of each standing committee of the Senate shall be fixed by the chairman as follows:

(A) for each committee (other than the Committee on Appropriations, one chief clerk and one assistant chief clerk at **[\$6,120]** \$6,392 to **[\$22,320]** \$23,312, and not to exceed four other clerical assistants at **[\$6,120]** \$6,392 to **[\$10,620]** \$11,092; and

(B) for the Committee on Appropriations, one chief clerk and one assistant chief clerk and two assistant clerks at **[\$15,840]** \$16,544 to **[\$22,320]** \$23,312; such assistant clerks as may be necessary at **[\$10,800]** \$11,280 to **[\$15,660]** \$16,356; and such other clerical assistants as may be necessary at **[\$6,120]** \$6,392 to **[\$10,620]** \$11,092.

(3) No employee of any standing or select committee of the Senate (including the majority and minority policy committees and the conference majority and conference minority of the Senate), or of any joint committee the expenses of which are paid from the contingent fund of the Senate, shall be paid at a gross rate in excess of **[\$22,320]** \$23,312 per annum, except that—

(A) two employees of any such committee (other than the Committee on Appropriations), who are otherwise authorized to be paid at such rate, may be paid at gross rates not in excess of **[\$23,400]** \$24,440 per annum, and one such employee may be paid at a gross rate not in excess of **[\$24,480]** \$25,568 per annum; and

(B) seventeen employees of the Committee on Appropriations who are otherwise authorized to be paid at such rate, may be paid at gross rates not in excess of **[\$23,400]** \$24,440 per annum, and one such employee may be paid at a gross rate not in excess of **[\$24,480]** \$25,568 per annum.

For the purpose of this paragraph, an employee of a subcommittee shall be considered to be an employee of the full committee.

(f) No officer or employee whose compensation is disbursed by the Secretary of the Senate shall be paid gross compensation at a rate less than **[\$1,080]** \$1,128 or in excess of **[\$24,480]** \$25,568, unless expressly authorized by law. In any case in which the fixing of any salary rate in multiples as required by this section would result in a rate in excess of the maximum rate specified in this subsection, the rate so fixed shall be reduced to such maximum rate.

* * * * *

SECTION 203 OF THE FEDERAL LEGISLATIVE SALARY ACT OF 1964 (78 STAT. 415)

SEC. 203. (a) The compensation of the Comptroller General of the United States shall be at the rate of \$30,000 per annum.

(b) The compensation of the Assistant Comptroller General of the United States shall be at the rate of \$28,500 per annum.

(c) The compensation of the General Counsel of the United States General Accounting Office, the Librarian of Congress, the Public Printer, and the Architect of the Capitol shall be at the rate of **[\$27,000]** \$28,000 per annum.

(d) The compensation of the Deputy Librarian of Congress, the Deputy Public Printer, and the Assistant Architect of the Capitol shall be at the rate of **[\$25,500]** \$27,250 per annum.

(e) The compensation of the Second Assistant Architect of the Capitol shall be at the rate of **[\$23,500]** \$25,000 per annum.

* * * * *

SECTION 106(b) OF THE LEGISLATIVE BRANCH APPROPRIATION ACT, 1963 (2 U.S.C. 60j)

(b) An employee to whom this section applies shall be paid during any period of continuous service as such an employee additional gross compensation (hereinafter referred to as "longevity compensation") at the rate of **[\$540]** \$564 per annum for each five years of service performed as such an employee during such period.

* * * * *

SECTION 1(b) OF THE ACT OF AUGUST 25, 1958

* * * * *

(b) The Administrator of General Services shall, without regard to the civil service and classification laws, provide for each former President an office staff. Persons employed under this subsection shall be selected by the former President and shall be responsible only to him for the performance of their duties. Each former President shall fix basic rates of compensation for persons employed for him under this paragraph which in the aggregate shall not exceed **[\$65,000]** \$80,000

per annum. [The rate of compensation payable to any such person shall not exceed the maximum aggregate rate of compensation payable to any individual employed in the office of a Senator.] *The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.*



Calendar No. 786

90TH CONGRESS
1ST SESSION

H. R. 7977

[Report No. 801]

IN THE SENATE OF THE UNITED STATES

OCTOBER 16, 1967

Read twice and referred to the Committee on Post Office and Civil Service

NOVEMBER 21, 1967

Reported by Mr. MONRONEY, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the “Postal Revenue and Fed-
4 eral Salary Act of 1967”.

5 TITLE I—POSTAL RATES

6 ~~FIRST-CLASS MAIL~~

7 SEC. 101. (a) Sections 4252 and 4253 of title 39,
8 United States Code, are amended to read as follows:

1 **“§ 4252. Size and weight limits**

2 ~~“The maximum size of first-class mail is one hundred~~
3 inches in length and girth combined and the maximum weight
4 is seventy pounds.

5 **“§ 4253. Postage rates on first-class mail**

6 ~~“(a) Postage on first-class mail is computed separately~~
7 on each letter or piece of mail. Except as otherwise provided
8 in this section, the rate of postage on first-class mail weighing
9 thirteen ounces or less is 6 cents for each ounce or fraction
10 of an ounce.

11 ~~“(b) First-class mail weighing more than thirteen~~
12 ounces shall be mailed at the rates of postage established by
13 section 4303(d) of this title and shall be entitled to the
14 most expeditious handling and transportation practicable.

15 ~~“(c) The rate of postage for each single postal card~~
16 and for each portion of a double postal card, including the
17 cost of manufacture, and for each post card and the initial
18 portion of each double post card conforming to section 4251
19 ~~(c) of this title is 5 cents.~~

20 ~~“(d) The rate of postage on business reply mail is the~~
21 regular rate prescribed in this section, together with an addi-
22 tional charge thereon of 2 cents for each piece weighing two
23 ounces or less and 5 cents for each piece weighing more than
24 two ounces. The postage and charge shall be collected on
25 delivery.”.

1 ~~(b)~~ Subparagraphs ~~(A)~~ and ~~(B)~~ of section 4169(a)
2 ~~(1)~~ of title 39, United States Code, are amended to read as
3 follows:

4 ~~“(A) the letter or sound-recorded communication~~
5 is mailed by the member at an Armed Forces post office
6 established under section 705(d) of this title which is
7 located at a place outside the forty-eight contiguous
8 States of the United States; or

9 ~~“(B) the member is hospitalized in a facility under~~
10 the jurisdiction of the Armed Forces of the United States
11 as a result of disease or injury incurred while on active
12 duty; or”.

13 ~~(c)~~ Subparagraph ~~(D)~~ of paragraph ~~(2)~~ of section
14 4169(a) of title 39, United States Code, is amended to read
15 as follows:

16 ~~“(D) the letter or sound-recorded communication~~
17 is mailed by the member—

18 ~~“(i) at an Armed Forces post office estab-~~
19 lished under section 705(d) of this title which is
20 located at a place outside the forty-eight contiguous
21 States of the United States; or

22 ~~“(ii) while hospitalized in a facility under the~~
23 jurisdiction of the Armed Forces of the United
24 States as a result of disease or injury incurred while
25 in the services with, or in, a unit under operational

1 control of a command of the Armed Forces of the
2 United States; and”.

3 ~~(d)~~ Section 4251~~(a)~~ of title 39, United States Code,
4 is amended by striking out “and ~~(4)~~” and inserting in lieu
5 thereof “~~(4)~~ bills and statements of account, and ~~(5)~~”.

6 ~~(e)~~ Subsection ~~(d)~~ of section 4251 of title 39, United
7 States Code, relating to the definition of drop letters, is
8 repealed.

9 ~~(f)~~ The table of contents of chapter 59 of title 39,
10 United States Code, is amended by striking out—

“4252. Weight limit.”

11 and inserting in lieu thereof—

“4252. Size and weight limits.”.

12 AIRMAIL

13 SEC. 102. ~~(a)~~ Subsections ~~(a)~~ and ~~(b)~~ of section 4303
14 of title 39, United States Code, are amended to read as
15 follows:

16 “~~(a)~~ Except as provided in section 4304 of this title
17 and subsection ~~(b)~~ of this section, the rate of postage on
18 domestic airmail weighing not more than seven ounces is
19 10 cents for each ounce or fraction thereof.

20 “~~(b)~~ The rate of postage on each postal card and post
21 card sent as domestic airmail is 8 cents.”.

22 ~~(b)~~ Subsection ~~(d)~~ of section 4303 of title 39, United
23 States Code, is amended—

1 ~~(1)~~ by striking out paragraph ~~(1)~~ and inserting
2 in lieu thereof the following:

3 “~~(1)~~ The rates of postage on air parcel post are based
4 on the eight zones described in section 4553, or prescribed
5 pursuant to section 4558, of this title in accordance with the
6 following tables:

	"Zones					
	Local 1, 2 and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

7 For each pound or fraction of a pound in excess of five
8 pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.";

9 ~~(2)~~ by deleting paragraph ~~(2)~~; and

10 ~~(3)~~ by striking out, in paragraph ~~(5)~~, subpara-
11 graphs ~~(A)~~, ~~(B)~~, and ~~(C)~~ and inserting in lieu thereof
12 the following:

13 “~~(A)~~-(i) first-class letter mail (including postal
14 cards and post cards);

15 “~~(ii)~~ sound-recorded communications having the
16 character of personal correspondence;

17 ~~(iii)~~ parcels of any class of mail not exceeding

1 five pounds in weight and sixty inches in length and
2 girth combined; and

3 “(iv) second-class publications published once each
4 week or more frequently and featuring principally cur-
5 rent news of interest to members of the Armed Forces
6 and the general public;

7 which are mailed at or addressed to any such Armed Forces
8 post office; and

9 “(B) parcels of any class of mail exceeding five
10 pounds but not exceeding seventy pounds in weight and
11 not exceeding one hundred inches in length and girth
12 combined, including surface-type official mail, which
13 are mailed at or addressed to any such Armed Forces
14 post office where adequate surface transportation is not
15 available.”

16 (e) Section 4303(f) of title 39, United States Code, is
17 amended by striking out “the Virgin Islands or the Canal
18 Zone” wherever appearing therein and inserting in lieu
19 thereof “or the Virgin Islands”.

20 (d) Section 4301(2) of title 39, United States Code,
21 is amended by striking out the word “eight” and inserting
22 in lieu thereof the figure “7”.

23 **SECOND-CLASS MAIL PREFERRED RATES**

24 SEC. 103. (a) Section 4358 of title 39, United States
25 Code, is amended—

1 ~~(1)~~ by striking out subsection ~~(a)~~ and inserting
2 in lieu thereof the following:

3 ~~“(a)~~ Except as provided in subsection ~~(b)~~, the rate
4 of postage on publications admitted as second-class mail
5 when addressed for delivery within the county in which they
6 are published and entered is as follows:

“[In cents]			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2.”;

7 ~~(2)~~ by adding at the end thereof the following:

8 ~~“(d)~~ The rates of postage on publications mailed in
9 accordance with section 4359 ~~(a)~~ of this title, of qualified
10 nonprofit organizations, are as follows:

“[In cents]						
	“During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

11 ~~“(e)~~ The postage on classroom publications, mailed in
12 accordance with section 4359 ~~(a)~~ of this title, is 60 per
13 centum of the postage computed in accordance with section
14 4359 ~~(b)~~ of this title.

15 ~~“(f)~~ The postage shall be 4.2 cents per pound on the
16 advertising portion of publications ~~(1)~~ which are mailed

1 for delivery in zones 1 and 2 in accordance with section
2 4359(a) of this title, (2) which are devoted to promoting
3 the science of agriculture, and (3) when the total number
4 of copies of the publications furnished during any twelve-
5 month period to subscribers residing in rural areas consists
6 of at least 70 per centum of the total number of copies
7 distributed by any means for any purpose.

8 “(g) In lieu of the minimum charge per piece prescribed
9 by section 4359(b) of this title, the minimum charge per
10 piece for publications (other than publications to which sub-
11 sections (d) and (e) of this section are applicable), when
12 fewer than five thousand copies are mailed outside the county
13 of publication, is 0.6 cent per piece when mailed during
14 the calendar year 1968, 0.7 cent per piece when mailed
15 during the calendar year 1969, and 0.8 cent per piece when
16 mailed thereafter.

17 “(h) The publisher of a classroom publication or of a
18 publication of a nonprofit organization, before being en-
19 titled to the rates for the publications, shall furnish such
20 proof of qualifications as the Postmaster General prescribes.

21 “(i) For the purposes of the application of this section
22 with respect to each publication having original entry at an
23 independent incorporated city, an incorporated city which
24 is situated entirely within a county, or which is situated
25 contiguous to one or more counties in the same State, but

1 which is politically independent of such county or counties;
 2 shall be considered to be within and a part of the county
 3 with which it is principally contiguous.

4 “(j) As used in this section—

5 “(1) ‘classroom publication’ means a religious,
 6 educational, or scientific publication entered as second-
 7 class mail and designed specifically for use in class-
 8 rooms or in religious instruction classes;

9 “(2) ‘a publication of a qualified nonprofit orga-
 10 nization’ means a publication published by and in the
 11 interest of one of the following types of organizations or
 12 associations if it is not organized for profit and none
 13 of its net income inures to the benefit of any private
 14 stockholder or individual: Religious, educational, scien-
 15 tific, philanthropic, agricultural, labor, veterans’, frater-
 16 nal, and associations of rural electric cooperatives, and
 17 not to exceed one publication published by the official
 18 highway or development agency of a State which meets
 19 all of the requirements of section 4354 and which con-
 20 tains no advertising;

21 “(3) ‘zones’ means the eight zones prescribed in
 22 section 4553, or prescribed pursuant to section 4558, of
 23 this title.”; and

24 (3) by amending the section heading to read as
 25 follows:

1 “§ 4358. Rates of postage; preferred”.

2 (b) The table of contents of chapter 63 of title 39,

3 United States Code, is amended by striking out—

 “4358. Postage rates within county of publication.”

4 and inserting in lieu thereof—

 “4358. Rates of postage; preferred.”

5 SECOND-CLASS MAIL REGULAR RATES

6 SEC. 104. (a) Section 4359 of title 39, United States

7 Code, is amended—

8 (1) by striking out subsections (b), (c), (d), and

9 (e) and inserting in lieu thereof the following:

10 “(b) Except as otherwise provided in this section
11 and section 4358 of this title, the rates of postage on publi-
12 cations mailed in accordance with subsection (a) are as
13 follows:

“[In cents]			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

14 “(c) For the purpose of this section and section 4358

15 of this title, the portion of a publication devoted to adver-

16 tisements shall include all advertisements inserted in the

17 publication and attached permanently thereto, except such

1 advertisements as are subject to the provisions of section
2 4656 of this title.

3 ~~“(d)(1)~~ Publications mailed in accordance with sub-
4 section ~~(a)~~, upon request by the publisher or news agent,
5 may be transported by air on a space-available basis, on
6 scheduled United States air carriers at rates fixed and de-
7 termined by the Civil Aeronautics Board in accordance with
8 section 406 of the Federal Aviation Act of 1958 ~~(49 U.S.C.~~
9 ~~1376)~~. The Postmaster General may authorize the trans-
10 portation of publications by air pursuant to this subsection
11 only when such transportation does not impede the trans-
12 portation of airmail, air parcel post, or air transportation of
13 first-class mail on a space-available basis.

14 ~~“(2)~~ The Postmaster General shall prescribe from time
15 to time charges to be collected for matter transported by air
16 pursuant to this section. The charges—

17 ~~“(A)~~ shall be in addition to the payment of law-
18 fully required postage;

19 ~~“(B)~~ may not be adjusted more frequently than
20 once every two years; and

21 ~~“(C)~~ when prescribed or adjusted, shall equal, as
22 nearly as practicable, the amount by which the allocated
23 cost incurred by the Department for the delivery of such

1 matter by air is in excess of the allocated cost which
 2 would have been incurred by the Department had such
 3 matter been delivered by surface transportation.

4 “(e) As used in this section the term ‘zones’ means the
 5 eight zones prescribed in section 4553, or prescribed pur-
 6 suant to section 4558, of this title.

7 “(f) In addition to the rates of postage otherwise pre-
 8 scribed by this section, there shall be a charge of 0.3 cent per
 9 copy, when more than 500,000 copies per issue of any pub-
 10 lication are mailed at the rates prescribed by this section,
 11 payable only on—

12 “(1) each copy in excess of 500,000 copies per
 13 issue mailed at the original point of entry; and

14 “(2) each copy mailed at other than the original
 15 point of entry.”; and

16 (2) by amending the section heading to read as
 17 follows:

18 “§ 4359. Rates of postage; regular”.

19 (b) The table of contents of chapter 63 of title 39,
 20 United States Code, is amended by striking out—

“4359. Postage rates beyond county of publication.”

21 and inserting in lieu thereof—

“4359. Rates of postage; regular.”.

1 ~~(e)~~ Section 4369 ~~(a)~~ ~~(4)~~ of title 39, United States Code,
 2 is amended by striking out “: *Provided, however,* That trade
 3 publications serving the performing arts need only to furnish
 4 such information to the Postmaster General”.

5 ~~SECOND-CLASS TRANSIENT MAIL~~

6 ~~SEC. 105.~~ Section 4362 of title 39, United States Code,
 7 is amended by striking out “four cents” and inserting in lieu
 8 thereof “5 cents”.

9 ~~CONTROLLED CIRCULATION PUBLICATIONS~~

10 ~~SEC. 106.~~ Section 4422 of title 39, United States Code,
 11 is amended to read as follows:

12 “§ 4422. Rates of postage

13 “The rates of postage on controlled circulation publica-
 14 tions found by the Postmaster General to meet the definition
 15 contained in section 4421 of this title when mailed in the
 16 manner prescribed by the Postmaster General are as follows:

“[In cents]			
	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8”.

17 ~~THIRD-CLASS MAIL~~

18 ~~SEC. 107.~~ ~~(a)~~ Subsections ~~(a)~~ and ~~(b)~~ of section 4452
 19 of title 39, United States Code, are amended to read as fol-
 20 lows:

1 “(a) Except as otherwise provided in this section,
2 the postage rates of third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed prior to Jan. 7, 1968	Mailed on and after Jan. 7, 1968	
(1) Individual piece.....	Cents 6 2	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter.....	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular.....	2 $\frac{1}{2}$	3.8	Per piece.
(ii) Qualified nonprofit organizations.....	1.25	1.9	Do.

3 “(b) Matter mailed in bulk under subsection (e) of
4 this section is subject to a minimum charge for each piece.
5 The minimum charge for each piece on such matter is the
6 minimum charge prescribed by this section, as applicable,
7 except that the minimum charge is 1.3 cents per piece on
8 such matter mailed on and after January 7, 1968, by
9 qualified nonprofit organizations (1) which are organized for
10 charitable, religious, or general health purposes, and are
11 engaged predominantly in the accomplishment of such pur-
12 poses, or (2) when such matter consists wholly of solicita-
13 tions of funds to be used for charitable, religious, or general
14 health purposes.”

15 “(b) Subsection (b) of section 4451 of title 39, United
16 States Code, relating to mailing certain bills and statements
17 of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

“(a) Except as provided in subsection (b) of this section, the postage rate is 16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

“(1) books, including books issued to supplement other books, consisting wholly of reading matter or reading matter with incidental blank spaces for notations containing no advertising matter other than incidental announcement of books;

“(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to commercial theaters;”;

(2) by striking out in subsection (b) (1) “4 cents for the first pound or fraction thereof and 1 cent for each

1 additional pound or fraction thereof" and inserting in
 2 lieu thereof "8 cents for the first two pounds or fraction
 3 thereof and 3 cents for each additional pound or fraction
 4 thereof";

5 (3) by inserting in subsection (c) "or narrower
 6 width" immediately following "16 millimeter"; and

7 (4) by amending subsection (c) to read as follows:

8 "(c) Articles may be mailed under this section in
 9 quantities of one thousand or more in a single mailing, as
 10 defined by the Postmaster General, only in the manner
 11 directed by him."

12 (b) The section heading of section 4554 of title 39,
 13 United States Code, is amended to read—

14 "§ 4554. Books, films, and other materials; preferred
 15 rates".

16 (c) The table of contents of chapter 67 of title 39,
 17 United States Code, is amended by striking out—

"4554. Postage rates on books and films."

18 and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates."

19 KEYS AND OTHER SMALL ARTICLES

20 SEC. 109. Subsection (b) of section 4651 of title 39,

21 United States Code, is amended by striking out "6 cents for
 22 each two ounces or fraction thereof" and inserting in lieu
 23 thereof "14 cents for the first two ounces or fraction thereof,

1 and 7 cents for each additional two ounces or fraction
2 thereof.”.

3 **SPECIAL HANDLING SERVICE**

4 **SEC. 110.** Section 6008 of title 39, United States Code,
5 is amended to read as follows:

6 **“§ 6008. Special handling**

7 “Upon payment of a special handling fee, third-class
8 mail and fourth-class mail are entitled to the most expeditious
9 handling and transportation practicable, but such mail is not
10 required to receive the same handling and transportation as
11 airmail.”.

12 **SEPARATION BY MAILER OF SECOND-CLASS MAIL**

13 **SEC. 111.** Section 4363 of title 39, United States Code,
14 is amended to read as follows:

15 **“§ 4363. Separation by mailer of second-class mail**

16 “Publishers and news agents shall mail second-class mat-
17 ter in the manner directed by the Postmaster General.”.

18 **PRINTING ON SECOND-CLASS COVERS**

19 **SEC. 112.** Section 4365 of title 39, United States Code,
20 is amended by adding a new subsection to read as follows:

21 “(d) In addition to other matter authorized by this
22 section to be contained, enclosed, or inserted in second-class
23 mail, there may be included, in accordance with uniform
24 regulations which the Postmaster General shall prescribe, on

1 the envelopes, wrappers, and other covers in which copies of
 2 publications are mailed, messages and notices of a civic or
 3 public-service nature, if no charge is made for the inclusion of
 4 such messages and notices on such envelopes, wrappers, and
 5 covers.”.

6 ADDITIONAL ENTRY POINTS

7 SEC. 113. Section 4358 of title 39, United States Code,
 8 is amended by adding at the end thereof a new subsection to
 9 read as follows:

10 “~~(k)~~ The rates of postage prescribed by subsections ~~(a)~~
 11 and ~~(b)~~ of this section shall apply only to mailings within
 12 the county in which the publications have original entry.”.

13 MAIL MATTER FOR BLIND AND OTHER HANDICAPPED 14 PERSONS

15 SEC. 114. ~~(a)~~ Chapter 69 of title 39, United States
 16 Code, is amended by striking out sections 4653 and 4654
 17 thereof and inserting in lieu thereof the following:

18 “§ 4653. Matter for blind and other handicapped persons

19 “~~(a)~~ The matter described in subsection ~~(b)~~ ~~(other~~
 20 than matter mailed under section 4654 of this title) may
 21 be mailed free of postage, if—

22 “~~(1)~~ the matter is for the use of the blind or other
 23 persons who cannot use or read conventionally printed
 24 material because of a physical impairment;

25 “~~(2)~~ no charge, or rental, subscription, or other

fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

“(3) the matter may be opened by the Postmaster General for inspection;

“(4) the matter contains no advertising; and

“(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

“(b) The free mailing privilege provided by subsection (a) is extended to—

“(1) reading matter and musical scores;

“(2) sound reproductions;

“(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

“(4) reproducers or parts thereof, for sound reproductions; and

“(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

§ 4654. Unsealed letters sent by blind or physically handicapped persons

“Unsealed letters sent by a blind person or a person

1 having a physical impairment, as described in section
 2 4653(a)(1) of this title, in raised characters or sightsaving
 3 type, or in the form of sound recordings, may be mailed free
 4 of postage.

5 **“§ 4655. Markings**

6 “All matter relating to blind or other handicapped per-
 7 sons mailed under section 4653, or section 4654, of this title,
 8 shall bear the words ‘Free Matter for the Blind or Handi-
 9 capped’, or words to that effect specified by the Postmaster
 10 General, in the upper right hand corner of the address area.”

11 (b) The table of contents of chapter 69 of title 39,
 12 United States Code, is amended by striking out—

“4653. Publications for the blind.

“4654. Reproducers and sound reproduction records for the blind.”

13 and inserting in lieu thereof—

“4653. Matter for blind and other handicapped persons.

“4654. Unsealed letters sent by blind or physically handicapped persons.

“4655. Markings.”

14 (c) Section 4451(d) of title 39, United States Code, is
 15 repealed.

16 **ENCLOSURES MAILED WITH SECOND-CLASS PUBLICATIONS**

17 **SEC. 115.** Chapter 69 of title 39, United States Code,
 18 is amended—

19 (1) by adding at the end thereof the following new
 20 section:

21 **“§ 4656. Enclosures mailed with second-class publications**

22 “Bills or receipts mailed with publications entered as

1 second-class mail, either loose or bound in the publications,
 2 and advertising supplements mailed with such publications,
 3 shall be charged postage at first, third, or fourth-class rates,
 4 as appropriate, had such matter been mailed other than with
 5 the publications.”; and

6 ~~(2)~~ by adding to the table of contents the following:
 “4656. Enclosures mailed with second-class publications.”

7 MAILING PRIVILEGE OF MEMBERS OF ARMED FORCES

8 SEC. 116. ~~(a)~~ Chapter 57 of title 39, United States
 9 Code, is amended by adding at the end thereof the following
 10 new section:

11 “§ 4170. Mailing privilege of members of United States
 12 Armed Forces and of friendly foreign nations
 13 in the Canal Zone

14 “~~(a)~~ For the purposes of sections 4169 ~~(a)~~, 4303 ~~(d)~~
 15 ~~(5)~~, and 4560 of this title, each post office in the Canal
 16 Zone postal service, to the extent that it provides mail service
 17 for members of the United States Armed Forces and of
 18 friendly foreign nations, shall be considered to be an Armed
 19 Forces post office established under section 705 ~~(d)~~ of this
 20 title.

21 “~~(b)~~ The Department of Defense shall reimburse the
 22 postal service of the Canal Zone, out of any appropriations
 23 or funds available to the Department of Defense, as a neces-
 24 sary expense of the appropriations or funds and of the

1 activities concerned, the equivalent amount of postage due,
 2 and sums equal to the expenses incurred by, the postal service
 3 of the Canal Zone, as determined by the Governor of the
 4 Canal Zone, for matter sent in the mails, and in providing
 5 air transportation of mail, under such sections.”

6 (b) The table of contents of chapter 57 of title 39,
 7 United States Code, is amended by adding—

“4170. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations in the Canal Zone.”

8 immediately below—

“4169. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations.”

9 SEC. 117. (a) Chapter 67 of title 39, United States
 10 Code, is amended by adding at the end thereof the following
 11 new section:

12 “§ 4560. Air transportation of parcels mailed at or ad-
 13 dressed to Armed Forces post offices

14 “Any parcel, other than a parcel mailed airmail or as
 15 air parcel post, not exceeding thirty pounds in weight and
 16 sixty inches in length and girth combined, which is mailed
 17 at or addressed to any Armed Forces post office established
 18 under section 705(d) of this title shall be transported by
 19 air on a space-available basis, on scheduled United States air
 20 carriers at rates fixed and determined by the Civil Aeronau-
 21 ties Board in accordance with section 406 of the Federal
 22 Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in

1 addition to the regular surface rate of postage, of a special fee
 2 to be prescribed by the Postmaster General for such trans-
 3 portation by air. Whenever adequate service by scheduled
 4 United States air carriers is not available to provide trans-
 5 portation of mail matter by air in accordance with the fore-
 6 going provisions of this section, the transportation of such
 7 mail matter may be authorized by aircraft other than sched-
 8 uled United States air carriers.”

9 (b) The table of contents of such chapter 67 is amended
 10 by inserting at the end thereof—

“4560. Air transportation of parcels mailed at or addressed to Armed
 Forces post offices.”

11 SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF
 12 ACCOUNT

13 SEC. 118. (a) Section 4001 of title 39, United States
 14 Code, relating to nonmailable matter, is amended by adding
 15 at the end thereof the following new subsection:

16 “(c) Matter otherwise legally acceptable in the mails
 17 which—

18 “(1) is in the form of, and reasonably could be in-
 19 terpreted or construed as, a bill, invoice, or statement
 20 of account due; but

21 “(2) constitutes, in fact, a solicitation for the order
 22 by the addressee of goods or services, or both,
 23 is nonmailable matter, shall not be carried or delivered by

1 mail, and shall be disposed of as the Postmaster General
 2 directs, unless such matter bears on its face, in conspicuous
 3 and legible type in contrast by typography, layout, or color
 4 with other printing on its face, in accordance with regula-
 5 tions which the Postmaster General shall prescribe—

6 “~~(A)~~ the following notice: ‘This is a solicitation
 7 for the order of goods and/or services and not a bill,
 8 invoice, or statement of account due. You are not under
 9 obligation to make any payments on account of this offer
 10 unless you accept this offer.’; or

11 “~~(B)~~ in lieu thereof, a notice to the same effect in
 12 words which the Postmaster General may prescribe.”.

13 ~~(b)~~ The amendment made by this section shall become
 14 effective with respect to matter mailed on or after the nine-
 15 tieth day following the effective date of this section.

16 EFFECTIVE DATES

17 SEC. 119. ~~(a)~~ The first section, sections 101, 102, 105,
 18 107, 108, 109, 110, 114, 116, 117, 118, and this section of
 19 this title shall become effective as of the beginning of the first
 20 Sunday which occurs after the thirtieth day following the
 21 date of enactment of this Act.

22 ~~(b)~~ Sections 103, 104, 106, 111, 112, 113, and 115
 23 of this title shall become effective January 7, 1968.

24 SEC. 120. Subsection ~~(a)~~ of section 4106 of title 39,
 25 United States Code, is amended to read as follows:

1 “(a) The Postmaster General shall notify the sender or
2 addressee upon request by the sender or addressee, when mail
3 is undelivered as addressed, of the reason for the nondelivery,
4 and in the case of the notice to the sender, the new address
5 of the addressee if known. The Postmaster General shall
6 prescribe a uniform charge to be collected for the service
7 performed pursuant to this subsection.”

8 TITLE II—FEDERAL SALARY INCREASES

9 SHORT TITLE

10 SEC. 201. This title may be cited as the “Federal Salary
11 Act of 1967”.

12 EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

13 SEC. 202. (a) The General Schedule contained in sec-
14 tion 5332(a) of title 5, United States Code, is amended to
15 read as follows:

“GENERAL SCHEDULE

“Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	.....
GS-17.....	23,788	24,581	25,374	26,167	26,960	.....	.....	.....	.....	.....
GS-18.....	27,055	.....	.....	.....	.....	.....	.....	.....	.....	.....”

16 (b) Except as provided in section 5303 of title 5,
17 United States Code, the rates of basic pay of officers and
18 employees to whom the General Schedule set forth in the

1 amendment made by subsection ~~(a)~~ of this section applies
2 shall be initially adjusted as of the effective date of this
3 section, as follows:

4 ~~(1)~~ If the officer or employee is receiving basic
5 pay immediately prior to the effective date of this sec-
6 tion at one of the rates of a grade in the General Sched-
7 ule, he shall receive a rate of basic pay at the corre-
8 sponding rate in effect on and after such date.

9 ~~(2)~~ If the officer or employee is receiving basic pay
10 immediately prior to the effective date of this section at
11 a rate between two rates of a grade in the General
12 Schedule, he shall receive a rate of basic pay at the
13 higher of the two corresponding rates in effect on and
14 after such date.

15 ~~(3)~~ If the officer or employee is receiving basic
16 pay immediately prior to the effective date of this sec-
17 tion at a rate in excess of the maximum rate for his
18 grade, he shall receive ~~(A)~~ the maximum rate for his
19 grade in the new schedule, or ~~(B)~~ his existing rate
20 of basic pay if such existing rate is higher.

21 ~~(4)~~ If the officer or employee, immediately prior
22 to the effective date of this section, is receiving, pursuant
23 to section 2~~(b)~~~~(4)~~ of the Federal Employees Salary
24 Increase Act of 1955, an existing aggregate rate of pay
25 determined under section 208~~(b)~~ of the Act of Septem-

ber 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay, on the day preceeding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceeding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be

1 adjusted retroactively from the effective date of this
2 section to the date on which he was so promoted, on the
3 basis of the rate which he was receiving during the
4 period from such effective date to the date of such
5 promotion and, from the date of such promotion, on the
6 basis of the rate for that step of the appropriate grade
7 of the General Schedule contained in the amendment
8 made by subsection (a) of this section which corre-
9 sponds numerically to the step of the grade of the Gen-
10 eral Schedule to which such officer or employee was
11 promoted as in effect (without regard to this title) at
12 the time of such promotion.

13 (6) If the officer or employee, at any time during the
14 period beginning on the effective date of this section and
15 ending on the date of enactment of this title, became sub-
16 ject to the General Schedule and his rate of basic pay
17 was set above the minimum rate of the grade on the
18 basis of a previously earned rate above such minimum
19 rate, his rate of basic pay shall be adjusted retroactively
20 to the date on which he became subject to the General
21 Schedule on the basis of the rate of the appropriate
22 grade of the General Schedule contained in this section
23 which corresponds numerically to the rate of the grade
24 at which the pay of such officer or employee was set at
25 the time he became subject to the General Schedule.

1 **LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS**

2 SEC. 203. Section 3301 of title 39, United States Code,
3 is amended by striking out “salary levels 19 and 20” and
4 inserting in lieu thereof “salary levels 20 and 21”.

5 **CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE**

6 SEC. 204. (a) That part of chapter 45 of title 39, United
7 States Code, under the heading “POSITIONS” is amended
8 by striking out section 3512 and inserting in lieu thereof the
9 following new sections:

10 **“§ 3512. Positions in salary level 1**

11 **“Cleaner. (KP-51)**

12 **“(1) Basic function.**—Performs a variety of light clean-
13 ing and housekeeping tasks in connection with the custodial
14 maintenance of a postal installation.

15 **“(2) Duties and responsibilities.**—

16 **“(A) Sweeps, mops, dusts, washes, and otherwise**
17 **performs light cleaning and housekeeping tasks to main-**
18 **tain offices, washrooms, lobbies, corridors, stairways, and**
19 **other areas of the building in neat and orderly condition.**

20 **“(B) Performs such duties as dusting, waxing, and**
21 **polishing office furniture, sweeping and mopping floors,**
22 **vacuuming rugs, emptying wastebaskets and trash,**
23 **washing interior window and partition glass and fixtures**
24 **which can be reached without use of ladders or scaf-**
25 **folding.**

1 ~~“(3) Organizational relationships.—~~Reports to a fore-
 2 man or other designated supervisor.

3 ~~“§ 3512A. Positions in salary level 2~~

4 ~~“Custodian. (KP-1)~~

5 ~~“(1) Basic function.—~~Performs manual laboring du-
 6 ties in connection with custody of an office or building.

7 ~~“(2) Duties and responsibilities.—~~

8 ~~“(A) Performs any combination of the following~~
 9 duties:

10 ~~“1. Moves furniture and equipment.~~

11 ~~“2. Unerates and assembles furniture and fix-~~
 12 tures, using bolts and screws for assembly.

13 ~~“3. Loads and unloads supplies and equipment.~~

14 ~~“4. Removes trash from work areas, lobbies,~~
 15 and washrooms.

16 ~~“5. Tends to lawns, shrubbery, and premises of~~
 17 the post office and cleans ice and snow from the
 18 sidewalks and driveways.

19 ~~“6. Stacks supplies in storage rooms and on~~
 20 shelves, and completes forms or records as required.

21 ~~“(B) May perform cleaning duties as assigned.~~

22 ~~“(3) Organizational relationships.—~~Reports to a fore-
 23 man or other designated supervisor.”.

24 ~~(b) Each salary level number in the headings of sec-~~
 25 tions 3513 to 3531, inclusive, of title 39, United States Code,

1 and each other numerical reference to such salary level num-
 2 ber in any other provision of such title (including the table of
 3 contents of chapter 45) which is not otherwise increased by
 4 this title, is increased by 1.

5 (c) Each employee in the postal field service on the
 6 date of enactment of this title, whose position is placed in
 7 salary level 2 of the Postal Field Service Schedule by reason
 8 of the enactment of this section and section 205(e)(1) of
 9 this title, shall remain in salary level 2 of such schedule so
 10 long as he remains in such position or occupies, without break
 11 in service of more than thirty days, a position of a comparable
 12 level of duties, responsibilities, and work requirements in such
 13 salary level. When the employee leaves any such position, the
 14 position shall be appropriately ranked in accordance with
 15 chapter 45 of title 39, United States Code.

16 (d) The table of contents of chapter 45 of title 39,
 17 United States Code, is amended by inserting—

“3512A. Positions in salary level 2.”

18 immediately below—

“3512. Positions in salary level 1.”

19 POSTAL FIELD SERVICE EMPLOYEES

20 SEC. 205. (a) Section 3542(a) of title 39, United States
 21 Code, is amended to read as follows:

22 “(a) There are established basic compensation schedules
 23 for positions in the postal field service which shall be known

1 as the Postal Field Service Schedules and for which the sym-
2 bol shall be 'PFS'. Except as provided in sections 3543 and
3 3544 of this title, basic compensation shall be paid to all
4 employees in accordance with such schedules.

“(To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below)

“POSTAL FIELD SERVICE SCHEDULE I

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2.....	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3.....	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,561
4.....	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,158
5.....	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,706
6.....	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7.....	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8.....	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	-----
9.....	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	-----	-----
10.....	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	-----	-----
11.....	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546	-----	-----
12.....	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	-----	-----
13.....	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	-----	-----
14.....	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	-----	-----
15.....	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	-----	-----
16.....	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	-----	-----
17.....	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	-----	-----
18.....	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	-----	-----
19.....	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	-----	-----
20.....	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	-----	-----	-----	-----
21.....	24,126	24,932	25,738	26,544	26,960	-----	-----	-----	-----	-----	-----	-----

“POSTAL FIELD SERVICE SCHEDULE II

“(To be effective on the first day of the first pay period beginning on or after July 1, 1968)

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2.....	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3.....	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4.....	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5.....	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6.....	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7.....	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8.....	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	-----
9.....	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	-----	-----
10.....	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	-----	-----
11.....	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	-----	-----
12.....	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	-----	-----
13.....	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	-----	-----
14.....	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	-----	-----
15.....	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	-----	-----
16.....	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	-----	-----
17.....	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	-----	-----
18.....	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	-----	-----
19.....	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	-----	-----
20.....	22,848	23,610	24,372	25,134	25,896	26,658	27,420	27,800	-----	-----	-----	-----
21.....	25,333	26,179	27,025	27,871	27,900	-----	-----	-----	-----	-----	-----	-----

5 (b) Section 3543(a) of title 39, United States Code,
6 is amended to read as follows:

7 “(a) There are established basic compensation sched-
8 ules which shall be known as the Rural Carrier Schedules
9 and for which the symbol shall be ‘RCS’. Compensation

1 shall be paid to rural carriers in accordance with such
2 schedules.

"RURAL CARRIER SCHEDULE I

"[to be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25"

3 (c) Section 3544 of title 39, United States Code, is
4 amended to read as follows:

5 **"§ 3544. Compensation of postmasters at fourth-class**
6 **offices**

7 **"(a) The Postmaster General shall—**

8 **"(1) rank each position of postmaster at a post**
9 **office of the fourth class in salary level 6 of the Postal**
10 **Field Service Schedule; and**

11 **"(2) establish, and adjust from time to time, the**
12 **annual rate of basic compensation, for each such position**
13 **of postmaster so ranked, in an amount which bears the**
14 **same ratio to the annual rate of basic compensation for**
15 **full-time service in a position (other than postmaster at**

1 a post office of the fourth class) in the same step of
2 salary level 6 of such schedule, as the total number of
3 hours of service which the Postmaster General deter-
4 mines necessary to be performed by such postmaster to
5 operate the post office, in the light of the postal needs of
6 the patrons of the office, bears to the total number of
7 hours of such full-time service.

8 Actions and determinations by the Postmaster General under
9 this subsection shall be final and conclusive until changed by
10 him.

11 “(b) A person who performs the duties of postmaster
12 at a post office of the fourth class where there is a vacancy,
13 or during the absence of the postmaster on sick or annual
14 leave or leave without pay, shall be compensated at the rate
15 of basic compensation for step 1 of salary level 6 of the
16 Postal Field Service Schedule, determined under subsection
17 (a) of this section.

18 “(c) When required by the Postmaster General, a
19 postmaster at a fourth-class office shall, and any other post-
20 master in PFS level 6 when permitted by the Postmaster
21 General may, furnish quarters, fixtures, and equipment for
22 an office on an allowance basis. The allowance for this pur-
23 pose shall be an amount equal to 15 per centum of the basic
24 compensation for step 1 of salary level 6 of the Postal Field
25 Service Schedule.”

1 ~~(d)~~ Each postmaster at a post office of the fourth class
2 on the effective date of Postal Field Service Schedule I shall
3 be placed in salary level 6 of the Postal Field Service Sched-
4 ule at the lowest step which provides a rate, determined
5 under section 3544(a) of title 39, United States Code, which
6 is at least equal to his rate of basic compensation in effect
7 immediately prior to such effective date plus 6 per centum
8 thereof. If there is no such step in salary level 6, he is en-
9 titled to his rate of basic compensation in effect immediately
10 prior to such effective date plus 6 per centum thereof. For the
11 purposes of this subsection, basic compensation in effect im-
12 mediately prior to the effective date of Postal Field Service
13 Schedule I shall be determined after giving effect to any
14 change in salary step or revenue units category which would
15 have occurred on the effective date of this section without
16 regard to the enactment of this title.

17 ~~(e)~~ The basic compensation of each employee subject
18 to the Postal Field Service Schedule or the Rural Carrier
19 Schedule immediately prior to the effective date of Postal
20 Field Service Schedule I shall be determined as follows:

21 ~~(1)~~ Each employee subject to the Postal Field
22 Service Schedule shall be assigned to the same numerical
23 step for his position, placed in the next higher salary
24 level, which he had attained immediately prior to such
25 effective date.

1 ~~(2)~~ Each employee subject to the Rural Carrier
2 Schedule shall be assigned to the same numerical step
3 for his position which he had attained immediately prior
4 to such effective date.

5 ~~(3)~~ If changes in levels or steps would otherwise
6 occur on such effective date without regard to enactment
7 of this Act, such changes shall be deemed to have oc-
8 curred prior to conversion.

9 ~~(4)~~ If the existing basic compensation is greater
10 than the rate to which the employee is converted under
11 paragraph ~~(1)~~ or ~~(2)~~ of this subsection, the employee
12 shall be placed in the lowest step which exceeds his basic
13 compensation. If the existing basic compensation exceeds
14 the maximum step of his position, his existing basic com-
15 pensation shall be established as his basic compensation.

16 ~~(f)~~ The advancement of any employee to a higher sal-
17 ary level of the Postal Field Service Schedule by reason of
18 the enactment of this section shall not be deemed to be an
19 equivalent increase within the meaning of section 3552(a)-
20 of title 39, United States Code.

21 ~~(g)~~ The basic compensation of each employee subject
22 to the Postal Field Service Schedule or the Rural Carrier
23 Schedule immediately prior to the effective date of Postal
24 Field Service Schedule II shall be determined as follows:

25 ~~(1)~~ Each employee shall be assigned to the same

numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation shall be established as his basic compensation.

(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out

~~"3544. Fourth Class Office Schedule."~~

and inserting in lieu thereof

~~"3544. Compensation of postmasters at fourth-class offices."~~

1 CONFORMING AMENDMENTS

2 SEC. 206. ~~(a)~~ Section 3560 ~~(a)~~ of title 39, United States
3 Code, is amended by striking out “~~(3)~~ revenue unit cate-
4 gory, with respect to the Fourth Class Office Schedule.” and
5 inserting in lieu thereof “~~(3)~~ minimum hours of service with
6 respect to postmasters in fourth-class post offices.”

7 ~~(b)~~ Section 3560 ~~(f)~~ of title 39, United States Code,
8 is amended by striking out “~~(1)~~ reductions in class or reve-
9 nue unit category of any post office, or” and inserting in lieu
10 thereof “~~(1)~~ reductions in class or revenue units of any post
11 office or in the minimum hours of service for a fourth-class
12 post office, or”.

13 ~~(c)~~ Subsections ~~(b)~~ and ~~(c)~~ of section 3573 of title
14 39, United States Code, are amended by striking out “level
15 PFS 10” and “level PFS 11”, wherever appearing therein,
16 and inserting in lieu thereof “level PFS 11” and “level
17 PFS 12”, respectively.

18 ~~(d)~~ Subsection ~~(a)~~ of section 3575 of title 39, United
19 States Code, is amended by striking out “level PFS 15” and
20 inserting in lieu thereof “level PFS 16”.

21 ~~(e)~~ Any reference to a level of the Postal Field Service
22 Schedule in any order, rule, regulation, or statute (other than
23 title 39, United State Code) which is in effect on the effec-
24 tive date of this section shall be deemed to refer to the next
25 higher level of the Postal Field Service Schedule.

SPECIAL SALARY RATE RANGES

SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out "seventh pay rate" and inserting in lieu thereof "maximum pay rate".

(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

(c) Section 5303(a) of title 5, United States Code, is amended by inserting immediately before the semicolon at the end of subparagraph (2) thereof "except positions in the postal field service which are unique to the service".

(d) That part of the text of chapter 45 of title 39, United States Code, under the heading "SALARY STEPS AND PROMOTIONS" is amended by adding at the end thereof the following new section:

§ 3561. Higher minimum rates; Presidential authority

"(a) When the President finds that the pay rates in

1 private enterprise for one or more occupations in one or more
2 areas or locations are so substantially above the rates of
3 basic compensation of those positions in the postal field
4 service which are unique to that service as to handicap
5 significantly the Government's recruitment or retention of
6 well-qualified employees for such positions, he may establish
7 for such positions in the areas or locations higher minimum
8 rates of basic compensation for one or more levels and may
9 make corresponding increases in other step rates of the pay
10 range for each such level. A minimum rate so established may
11 not exceed the maximum rate prescribed by statute for the
12 level. Increases above the maximum rate may be made
13 only to the extent that the minimum rate is increased to an
14 amount greater than the fourth step of the level. For the
15 purposes of this section, the word 'level' includes occupa-
16 tional groups and subdivisions of levels and occupational
17 groups.

18 “(b) Within the limitations of subsection (a) of this
19 section, rates of basic compensation established under that
20 subsection may be revised from time to time by the President.

21 “(c) An increase in rate of basic compensation estab-
22 lished under this section is not an equivalent increase in
23 compensation within the meaning of section 3552 of this
24 title.

25 “(d) The rate of basic compensation established under

1 this section and received by an individual immediately be-
 2 fore a statutory increase, which becomes effective prior to,
 3 on, or after the date of enactment of the statute, in the com-
 4 pensation of employees in the postal field service, shall be
 5 initially adjusted, effective on the effective date of the
 6 statutory increase, under conversion rules prescribed by the
 7 President.

8 “~~(e)~~ All actions, revisions, and adjustments under this
 9 section have the force and effect of statute.

10 “~~(f)~~ The President may authorize the Postmaster Gen-
 11 eral to exercise the authority conferred on the President
 12 by this section.”

13 ~~(e)~~ The table of contents of chapter 45 of title 39,
 14 United States Code, is amended by inserting—

“3561. Higher minimum rates; Presidential authority.”

15 immediately below—

“3560. Salary protection.”

16 EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND

17 SURGERY OF THE VETERANS' ADMINISTRATION

18 SEC. 208. Section 4107 of title 38, United States Code,
 19 relating to grades and pay scales for certain positions within
 20 the Department of Medicine and Surgery of the Veterans'
 21 Administration, is amended to read as follows:

22 “§ 4107. Grades and pay scales

23 “~~(a)~~ The per annum full-pay scale or ranges for posi-

tions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

“Section 4103 Schedule

“Assistant Chief Medical Director, \$27,055.

“Medical Director, \$23,788 minimum to \$26,960 maximum.

“Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

“Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

“Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

“Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

“(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

“Physician and Dentist Schedule

“Director grade, \$20,982 minimum to \$26,574 maximum.

“Executive grade, \$19,576 minimum to \$25,444 maximum.

“Chief grade, \$18,404 minimum to \$23,921 maximum.

“Senior grade, \$15,841 minimum to \$20,593 maximum.

1 “Intermediate grade, \$13,507 minimum to \$17,557
2 maximum.

3 “Full grade, \$11,461 minimum to \$14,899 maximum.

4 “Associate grade, \$9,657 minimum to \$12,555 maxi-
5 mum.

6 “Nurse Schedule

7 “Assistant Director grade, \$15,841 minimum to \$20,593
8 maximum.

9 “Chief grade, \$13,507 minimum to \$17,557 maximum.

10 “Senior grade, \$11,461 minimum to \$14,899 maximum.

11 “Intermediate grade, \$9,657 minimum to \$12,555 maxi-
12 mum.

13 “Full grade, \$8,054 minimum to \$10,475 maximum.

14 “Associate grade, \$7,033 minimum to \$9,139 maximum.

15 “Junior grade, \$6,137 minimum to \$7,982 maximum.

16 “(2) No person may hold the director grade unless he
17 is serving as a director of a hospital, domiciliary, center, or
18 outpatient clinic (independent). No person may hold the
19 executive grade unless he holds the position of chief of staff
20 at a hospital, center, or outpatient clinic (independent), or
21 comparable position.

22 “(c) Notwithstanding any other provision of law, the
23 per annum salary rate for each individual serving as a di-
24 rector of a hospital, domiciliary, or center who is not a physi-
25 cian shall not be less than the salary rate which he would

1 receive under this section if his service as a director of a
 2 hospital, domiciliary, or center had been service as a physi-
 3 cian in the director grade. The position of the director of a
 4 hospital, domiciliary, or center shall not be subject to
 5 chapter 51 and subchapter III of chapter 53 of title 5,
 6 United States Code.”.

7 FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND
 8 EMPLOYEES

9 SEC. 209. (a) The fourth sentence of section 412 of the
 10 Foreign Service Act of 1946, as amended (22 U.S.C. 867),
 11 is amended to read as follows: “The per annum salaries of
 12 Foreign Service officers within each of the other classes shall
 13 be as follows:

“Class 1.....	\$24,944	\$25,776	\$27,055	-----	-----	-----	-----
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084”.

14 (b) The second sentence of subsection (a) of section
 15 415 of such Act (22 U.S.C. 870(a)) is amended to read
 16 as follows: “The per annum salaries of such staff officers and
 17 employees within each class shall be as follows:

“Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489”.

18 (c) Foreign Service officers, Reserve officers, and For-
 19 eign Service staff officers and employees who are entitled to

1 receive basic compensation immediately prior to the effective
 2 date of this section at one of the rates provided by section
 3 412 or 415 of the Foreign Service Act of 1946 shall receive
 4 basic compensation, on and after such effective date, at the
 5 rate of their class determined to be appropriate by the Secre-
 6 tary of State.

7 AGRICULTURAL STABILIZATION AND CONSERVATION
 8 COUNTY COMMITTEE EMPLOYEES

9 SEC. 210. The rates of pay of persons employed by the
 10 county committees established pursuant to section 8(b) of
 11 the Soil Conservation and Domestic Allotment Act (16
 12 U.S.C. 590h(b)) shall be increased by amounts equal, as
 13 nearly as may be practicable, to the increases provided by
 14 section 202(a) of this title for corresponding rates of basic
 15 pay.

16 SALARY RATES FIXED BY ADMINISTRATIVE ACTION

17 SEC. 211. (a) The rates of basic pay of assistant United
 18 States attorneys whose annual salaries are fixed pursuant
 19 to section 548 of title 28, United States Code, shall be
 20 increased, effective on the effective date of section 202 of
 21 this title, by amounts equal, as nearly as may be practicable,
 22 to the increases provided by section 202(a) of this title for
 23 corresponding rates of basic pay.

24 (b) Notwithstanding section 3679 of the Revised
 25 Statutes, as amended (31 U.S.C. 665), the rates of pay

1 of officers and employees of the Federal Government and
 2 of the municipal government of the District of Columbia
 3 whose rates of pay are fixed by administrative action pur-
 4 suant to law and are not otherwise increased by this title
 5 are hereby authorized to be increased, effective on the ef-
 6 fective date of section 202 of this title, by amounts not to
 7 exceed the increases provided by this title for correspond-
 8 ing rates of pay in the appropriate schedule or scale of pay.

9 ~~(c)~~ Nothing contained in this section shall be held or
 10 considered to authorize any increase in the rates of pay of
 11 officers and employees whose rates of pay are fixed and
 12 adjusted from time to time as nearly as is consistent with
 13 the public interest in accordance with prevailing rates or
 14 practices.

15 ~~(d)~~ Nothing contained in this section shall affect the
 16 authority contained in any law pursuant to which rates of
 17 pay may be fixed by administrative action.

18 IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN
 19 1968 AND 1969

20 SEC. 212. In order to complete the implementation of
 21 the policy of the Congress set forth in paragraph (2) of
 22 section 5301 of title 5, United States Code, the President,
 23 after seeking the views of such employee organizations as he
 24 considers appropriate and in such manner as he may provide,
 25 shall—

26 ~~(1)~~ effective on the first day of the first pay period

beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, 216, and 222—

(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

(B) by 3 per centum,
whichever is greater; and

(2) effective on the first day of the first pay period beginning on or after April 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the

1 1968 annual survey conducted by the Bureau of Labor
2 Statistics in accordance with the provisions of section
3 5302 of title 5, United States Code.

4 Adjustments made by the President under this section shall
5 have the force and effect of statute. The rates of pay of
6 personnel subject to sections 210, 213 (except subsection
7 (d)), and 214 of this title shall be adjusted, by amounts
8 which are equal, insofar as practicable, to the amounts of
9 the adjustments made by the President under subparagraphs
10 (1) and (2) of this section, by the following authorities—

11 (i) the President pro tempore of the Senate, with
12 respect to the United States Senate;

13 (ii) the Speaker of the House of Representatives,
14 with respect to the United States House of Representa-
15 tives;

16 (iii) the Architect of the Capitol, with respect to
17 the Office of the Architect of the Capitol;

18 (iv) the Director of the Administrative Office of the
19 United States Courts, with respect to the judicial branch
20 of the Government; and

21 (v) the Secretary of Agriculture, with respect to
22 persons employed by the county committees established
23 pursuant to section 8(b) of the Soil Conservation and
24 Domestic Allotment Act (16 U.S.C. 590h(b)).

25 Such adjustments shall be made in such manner as the appro-

1 puate authority concerned deems advisable and shall have
 2 the force and effect of statute. Nothing in this section shall
 3 impair any authority pursuant to which rates of pay may be
 4 fixed by administrative action.

5 JUDICIAL BRANCH EMPLOYEES

6 SEC. 213. a) The rates of basic compensation of offi-
 7 cers and employees in or under the judicial branch of the
 8 Government whose rates of compensation are fixed by or
 9 pursuant to paragraph (2) of subdivision a of section 62 of
 10 the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656
 11 of title 18, United States Code, the third sentence of section
 12 603, sections 671 to 675, inclusive, or section 604(a)(5),
 13 of title 28, United States Code, insofar as the latter section
 14 applies to graded positions, are hereby increased by amounts
 15 reflecting the respective applicable increases provided by sec-
 16 tion 202(a) of this title in corresponding rates of compen-
 17 sation for officers and employees subject to section 5332 of
 18 title 5, United States Code. The rates of basic compensa-
 19 tion of officers and employees holding ungraded positions and
 20 whose salaries are fixed pursuant to such section 604(a)(5)
 21 may be increased by the amounts reflecting the respective
 22 applicable increases provided by section 202(a) of this title
 23 in corresponding rates of compensation for officers and em-
 24 ployees subject to section 5332 of title 5, United States Code.

1 ~~(b)~~ The limitations provided by applicable law on
2 the effective date of this section with respect to the aggregate
3 salaries payable to secretaries and law clerks of circuit and
4 district judges are hereby increased by amounts which re-
5 flect the respective applicable increases provided by section
6 ~~202(a)~~ of this title in corresponding rates of compensation
7 for officers and employees subject to section 5332 of title 5,
8 United States Code.

9 ~~(c)~~ Section 753(c) of title 28, United States Code
10 ~~(relating to the compensation of court reporters for district~~
11 ~~courts)~~, is amended by striking out the existing salary limi-
12 tation contained therein and inserting a new limitation which
13 reflects the respective applicable increases provided by section
14 ~~202(a)~~ of this title in corresponding rates of compensation
15 for officers and employees subject to section 5332 of title 5,
16 United States Code.

17 ~~(d)~~ The first paragraph of section 603 of title 28,
18 United States Code, relating to the compensation of the
19 Director and the Deputy Director of the Administrative
20 Office of the United States Courts, is amended to read as
21 follows:

22 "The salary of the Director shall be the same as the
23 salary of a United States District Judge. The salary of the
24 Deputy Director shall be in the same amount as the rate of
25 basic pay for level V of the Executive Schedule in title 5."

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 219(a) of this title, the additional compensation provided by

1 this section shall be considered a part of basic pay for the
 2 purposes of subchapter III of chapter 83 of title 5, United
 3 States Code, relating to civil service retirement.

4 (e) The per annum rate of compensation of the Chief
 5 of Staff of the Joint Committee on Internal Revenue Taxa-
 6 tion shall be the same as the per annum rate of compensation
 7 of the Legislative Counsel of the House of Representatives.

8 (f) The third paragraph under the heading "Office
 9 of the Architect of the Capitol" and the subheading "Sal-
 10 aries" in the Legislative Branch Appropriation Act, 1960
 11 (73 Stat. 407), is amended by striking out "\$7,700" and
 12 inserting in lieu thereof "\$8,200".

13 (g) This section shall not apply with respect to the
 14 compensation of student congressional interns and the com-
 15 pensation of employees whose compensation is fixed by the
 16 House Wage Schedule under the House Employees Position
 17 Classification Act.

18 INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V
 19 OF EXECUTIVE SCHEDULE

20 SEC. 215. (a) Section 5314 of title 5, United States
 21 Code, relating to the basic pay rate for level III of the
 22 Executive Schedule, is amended by striking out "\$28,500"
 23 and inserting in lieu thereof "\$29,500".

24 (b) Section 5315 of title 5, United States Code, relating
 25 to the basic pay rate for level IV of the Executive Schedule,

1 is amended by striking out “\$27,000” and inserting in lieu
2 thereof “\$28,750”.

3 ~~(c)~~ Section 5316 of title 5, United States Code, relating
4 to the basic pay rate for level V of the Executive Schedule,
5 is amended by striking out “\$26,000” and inserting in lieu
6 thereof “\$28,000”.

7 COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL
8 SALARIES

9 SEC. 216. ~~(a)~~ ESTABLISHMENT OF COMMISSION.—

10 There is hereby established a commission to be known as the
11 Commission on Executive, Legislative, and Judicial Salaries
12 ~~(hereinafter referred to as the “Commission”)~~.

13 ~~(b)~~ MEMBERSHIP.—

14 ~~(1)~~ The Commission shall be composed of nine mem-
15 bers who shall be appointed from private life, as follows:

16 ~~(A)~~ three appointed by the President of the United
17 States, one of whom shall be designated as Chairman by
18 the President;

19 ~~(B)~~ two appointed by the President of the Senate;

20 ~~(C)~~ two appointed by the Speaker of the House of
21 Representatives; and

22 ~~(D)~~ two appointed by the Chief Justice of the
23 United States.

24 ~~(2)~~ The terms of office of persons first appointed as
25 members of the Commission shall be for the period of the

1 1969 fiscal year of the Federal Government, except that,
 2 if any appointment to membership on the Commission is
 3 made after the beginning and before the close of such fiscal
 4 year, the term of office based on such appointment shall be
 5 for the remainder of such fiscal year.

6 ~~(3)~~ After the close of the 1969 fiscal year of the Federal
 7 Government, persons shall be appointed as members of the
 8 Commission with respect to every fourth fiscal year following
 9 the 1969 fiscal year. The terms of office of persons so ap-
 10 pointed shall be for the period of the fiscal year with respect
 11 to which the appointment is made, except that, if any ap-
 12 pointment is made after the beginning and before the close
 13 of any such fiscal year, the term of office based on such ap-
 14 pointment shall be for the remainder of such fiscal year.

15 ~~(4)~~ A vacancy in the membership of the Commission
 16 shall be filled in the manner in which the original appoint-
 17 ment was made.

18 ~~(5)~~ Each member of the Commission shall be paid at
 19 the rate of \$100 for each day such member is engaged upon
 20 the work of the Commission and shall be allowed travel
 21 expenses, including a per diem allowance, in accordance
 22 with section 5703(b) of title 5, United States Code, when
 23 engaged in the performance of services for the Commission.

24 ~~(c)~~ PERSONNEL OF COMMISSION.—

25 ~~(1)~~ Without regard to the provisions of title 5, United

1 States Code, governing appointments in the competitive
2 service, and the provisions of chapter 51 and subchapter III
3 of chapter 53 of such title, relating to classification and Gen-
4 eral Schedule pay rates, and on a temporary basis for periods
5 covering all or part of any fiscal year referred to in subsec-
6 tion ~~(b)~~ ~~(2)~~ and ~~(3)~~ of this section—

7 ~~(A)~~ the Commission is authorized to appoint an
8 Executive Director and fix his basic pay at the rate pro-
9 vided for level V of the Executive Schedule by section
10 5316 of title 5, United States Code; and

11 ~~(B)~~ with the approval of the Commission, the
12 Executive Director is authorized to appoint and fix the
13 basic pay ~~(at respective rates not in excess of the maxi-~~
14 ~~mum rate of the General Schedule in section 5332 of~~
15 ~~title 5, United States Code)~~ of such additional person-
16 nel as may be necessary to carry out the function of the
17 Commission.

18 ~~(2)~~ Upon the request of the Commission, the head of
19 any department, agency, or establishment of any branch of
20 the Federal Government is authorized to detail, on a reim-
21 bursable basis, for periods covering all or part of any fiscal
22 year referred to in subsection ~~(b)~~ ~~(2)~~ and ~~(3)~~ of this sec-
23 tion, any of the personnel of such department, agency, or
24 establishment to assist the Commission in carrying out its
25 function.

1 ~~(d) USE OF UNITED STATES MAILS BY COMMISSION.—~~

2 The Commission may use the United States mails in the same
3 manner and upon the same conditions as other departments
4 and agencies of the United States.

5 ~~(e) ADMINISTRATIVE SUPPORT SERVICES.—~~The Ad-
6 ministrator of General Services shall provide administrative
7 support services for the Commission on a reimbursable basis.

8 ~~(f) FUNCTION.—~~The Commission shall conduct, in each
9 of the respective fiscal years referred to in subsection ~~(b)~~
10 ~~(2)~~ and ~~(3)~~ of this section, a review of the rates of pay
11 and the amounts and kinds of expenses and allowances,
12 including requirements, conditions, and other matters relat-
13 ing thereto, of—

14 ~~(A)~~ Senators, Members of the House of Represent-
15 atives, and the Resident Commissioner from Puerto
16 Rico;

17 ~~(B)~~ offices and positions in the legislative branch
18 referred to in subsections ~~(a)~~, ~~(b)~~, ~~(c)~~, and ~~(d)~~ of
19 section 203 of the Federal Legislative Salary Act of
20 1964 (78 Stat. 415; Public Law 88-426);

21 ~~(C)~~ justices, judges, and other personnel in the
22 judicial branch referred to in sections 402-~~(d)~~ and 403
23 of the Federal Judicial Salary Act of 1964 (78 Stat.
24 434; Public Law 88-426); and

25 ~~(D)~~ offices and positions under the Executive

Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review; and

(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

(g) REPORT BY COMMISSION TO THE PRESIDENT.—

The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

(h) RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY, EXPENSES, AND ALLOWANCES.—The President shall include, in the budget next transmitted by

1 him to the Congress after the date of the submission of the
 2 report and recommendations of the Commission under sub-
 3 section ~~(g)~~ of this section; his recommendations with respect
 4 to the exact rates of pay and the exact amounts and kinds of
 5 expenses and allowances, including any specific require-
 6 ments, conditions, and other matters relating thereto which
 7 he deems advisable, for those offices and positions within the
 8 purview of subparagraphs ~~(A)~~, ~~(B)~~, ~~(C)~~, and ~~(D)~~ of
 9 subsection ~~(f)~~ of this section. As used in this subsection,
 10 the term "budget" means the budget referred to in section
 11 201 of the Budget and Accounting Act, 1921, as amended
 12 ~~(31 U.S.C. 11)~~.

13 ~~(i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE~~
 14 ~~PRESIDENT.—~~

15 ~~(1)~~ Except as provided in paragraph ~~(2)~~ of this sub-
 16 section, all or part ~~(as the case may be)~~ of the recommenda-
 17 tions of the President transmitted to the Congress in the
 18 budget under subsection ~~(h)~~ of this section shall become
 19 effective at the beginning of the first pay period which begins
 20 after the thirtieth day following the transmittal of such rec-
 21 ommendations in the budget; but only to the extent that,
 22 between the date of transmittal of such recommendations in
 23 the budget and the beginning of such first pay period—

24 ~~(A)~~ there has not been enacted into law a statute
 25 which establishes rates of pay, amounts and kinds of

1 expenses and allowances, and requirements, conditions,
 2 and related matters other than those proposed by all or
 3 part of such recommendations,

4 ~~(B)~~ neither House of the Congress has enacted
 5 legislation which specifically disapproves all or part of
 6 such recommendations, or

7 ~~(C)~~ both.

8 ~~(2)~~ Any part of the recommendations of the President
 9 may, in accordance with express provisions of such recom-
 10 mendations, be made operative on a date later than the date
 11 on which such recommendations otherwise are to take effect.

12 ~~(j)~~ EFFECT OF RECOMMENDATIONS OF THE PRESI-
 13 DENT ON EXISTING LAW AND PRIOR PRESIDENTIAL
 14 RECOMMENDATIONS.—The recommendations of the Presi-
 15 dent transmitted to the Congress immediately following a
 16 review conducted by the Commission in one of the fiscal
 17 years referred to in subsection ~~(b)~~ ~~(2)~~ and ~~(3)~~ of this sec-
 18 tion shall be held and considered to modify, supersede, or
 19 render inapplicable, as the case may be, to the extent in-
 20 consistent therewith—

21 ~~(A)~~ all provisions of law enacted prior to the effec-
 22 tive date or dates of all or part ~~(as the case may be)~~ of
 23 such recommendations ~~(other than any provision of law~~
 24 ~~enacted in the period specified in paragraph (1) of sub-~~

1 section ~~(i)~~ of this section with respect to such recom-
2 mendations), and

3 ~~(B)~~ any prior recommendations of the President
4 which take effect under this section.

5 ~~(k)~~ PUBLICATION OF RECOMMENDATIONS OF THE
6 PRESIDENT.—The recommendations of the President which
7 take effect shall be printed in the Statutes at Large in the
8 same volume as public laws and shall be printed in the Fed-
9 eral Register and included in the Code of Federal Regula-
10 tions.

11 SALARY INCREASE LIMITATIONS

12 SEC. 217. Except as provided in sections 213(d), 214,
13 215, and 222, and subject to the operation of section 216 of
14 this title, no rate of compensation shall be increased, by rea-
15 son of the enactment of this title, to an amount in excess of
16 the salary rate now or hereafter in effect for level V of the
17 Executive Schedule in section 5316 of title 5, United States
18 Code.

19 UNCONTROLLABLE OVERTIME DUTY

20 SEC. 218. Section 5545(c)(2) of title 5, United States
21 Code, is amended by striking out “not in excess of 15 per-
22 cent” and inserting in lieu thereof “not less than 20 percent
23 or more than 30 percent”.

PAYMENT OF RETROACTIVE COMPENSATION

~~SEC. 219 (a)~~ Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil

1 service retirement, or any other retirement law or retirement
 2 system, in the case of any such retired or deceased officer or
 3 employee.

4 (b) For the purposes of this section, service in the
 5 Armed Forces of the United States, in the case of an individ-
 6 ual relieved from training and service in the Armed Forces
 7 of the United States or discharged from hospitalization fol-
 8 lowing such training and service, shall include the period
 9 provided by law for the mandatory restoration of such in-
 10 dividual to a position in or under the Federal Government or
 11 the municipal government of the District of Columbia.

12 RETIREMENT COVERAGE FOR EMPLOYEES ON LEAVE
 13 WITHOUT PAY SERVING WITH LABOR ORGANIZATIONS

14 SEC. 220. (a) The first sentence of section 8332(k)(1)
 15 of title 5, United States Code, is amended by inserting "or
 16 of a 'labor organization' as defined by paragraph (3) of this
 17 subsection," immediately following "section 8331(1) of this
 18 title,".

19 (b) An employee who, on the date of enactment of this
 20 subsection, is on approved leave without pay and is serving
 21 as a full-time officer or employee of a "labor organization"
 22 as defined by section 8332(k)(3) of title 5, United States
 23 Code, may make the election provided for by the first sen-
 24 tence of section 8332(k)(1) of such title, as amended by

1 subsection ~~(a)~~ of this section, within sixty days after such
2 date of enactment.

3 ~~(c)~~ For the purpose of the second sentence of section
4 8332(k)(1) of title 5, United States Code, the word “em-
5 ployee” includes—

6 ~~(1)~~ an employee who, on July 18, 1966, was on
7 approved leave without pay and serving as a full-time
8 officer or employee of an organization composed pri-
9 marily of employees as defined by section 8331(1) of
10 such title and who, before September 17, 1966, filed
11 an election similar to that prescribed by section 8332(k)-
12 ~~(1)~~ of such title; and

13 ~~(2)~~ an employee who, on the date of enactment of
14 this subsection, is on approved leave without pay and
15 is serving as a full-time officer or employee of a “labor
16 organization” as defined by section 8332(k)(3) of title
17 5, United States Code, and who, before the close of the
18 sixty-day period prescribed by subsection ~~(b)~~ of this
19 section, files an election under such subsection ~~(b)~~.

20 ~~(d)~~ The last sentence of section 8332(k)(1) of title 5,
21 United States Code, is hereby repealed.

22 ~~(e)~~ The first sentence of section 8332(k)(2) of title
23 5, United States Code, is amended by inserting “or of a

1 'labor organization' as defined by paragraph ~~(3)~~ of this sub-
2 section" immediately before the period at the end thereof.

3 ~~(f)~~ Section 8332(k) of title 5, United States Code, is
4 amended by adding at the end thereof the following new
5 paragraph:

6 " ~~(3)~~ For the purposes of this subsection, 'labor organi-
7 zation' means any organization of any kind, or any agency
8 or employee representation committee or plan, in which em-
9 ployees participate and which exists for the purpose, in
10 whole or in part, of dealing with employers concerning
11 grievances, labor disputes, wages, rates of pay, hours of
12 employment, or conditions of work, and includes a national
13 or international organization of which such labor organiza-
14 tion is a member."

15 ~~(g)~~ Section 8348(g) of title 5, United States Code,
16 does not apply with respect to annuity benefits resulting
17 from the enactment of this section.

18 ~~(h)~~ The foregoing provisions of this section shall not
19 apply in the cases of persons retired or otherwise separated
20 prior to the date of enactment of this section. The rights of
21 such persons and their survivors shall continue in the same
22 manner and to the same extent as if this section had not been
23 enacted.

1 GROUP LIFE INSURANCE AND HEALTH BENEFITS COVER-
2 AGE FOR EMPLOYEES ON LEAVE WITHOUT PAY SERV-
3 ING WITH LABOR ORGANIZATIONS

4 SEC. 221. ~~(a)~~ The first sentence of section 8706~~(c)~~ of
5 title 5, United States Code, is amended by inserting “or of
6 a ‘labor organization’ as defined by section 8332(k)(3) of
7 this title,” immediately following “section 8701~~(a)~~ of this
8 title,”.

9 ~~(b)~~ The first sentence of section 8906~~(c)~~(2) of title 5,
10 United States Code, is amended by inserting “or of a ‘labor
11 organization’ as defined by section 8332(k)(3) of this title,”
12 immediately following “section 8901 of this title,”.

13 ~~(c)~~ An employee who, on the date of enactment of this
14 subsection, is on approved leave without pay and is serving as
15 a full-time officer or employee of a “labor organization” as
16 defined by section 8332(k)(3) of title 5, United States Code,
17 may elect, within sixty days after such date of enactment—

18 ~~(1)~~ to continue any insurance status or health bene-
19 fits enrollment, or both, which he has on such date of
20 enactment,

21 ~~(2)~~ to reacquire any insurance status or health
22 benefits enrollment, or both, which he may have lost
23 while on leave without pay, or

1 ~~(3)~~ to acquire an insured status or enroll in a
2 health benefits plan, or both, if he were never previously
3 eligible to do so, by arranging to pay currently and
4 continuously into the Employees' Life Insurance Fund
5 and the Employees Health Benefits Fund, as appropri-
6 ate, through his employing agency, both employee and
7 agency contributions.

8 The employing agency shall forward such payments to the
9 Employees' Life Insurance Fund and the Employees Health
10 Benefits Fund, as appropriate. If the employee does not make
11 any of the elections set forth above, his insurance status and
12 health benefits enrollment will continue and terminate in the
13 same manner as for other employees in a nonpay status, or
14 he will remain ineligible for insurance and health benefits, as
15 the case may be, as though this subsection had not been
16 enacted. The United States Civil Service Commission may
17 prescribe regulations to carry out the purposes of this
18 subsection.

19 SEC. 222. Section 203 of the Federal Legislative Salary
20 Act of 1964 (~~78 Stat. 415~~) is amended as follows:

21 ~~(1)~~ in subsection ~~(b)~~, by striking out "~~\$28,500~~"
22 and inserting in lieu thereof "~~\$29,500~~";

23 ~~(2)~~ in subsection ~~(c)~~, by striking out "~~\$27,000~~"
24 and inserting in lieu thereof "~~\$28,750~~";

1 ~~(3)~~ in subsection ~~(d)~~, by striking out “\$25,500”
2 and inserting in lieu thereof “\$27,500”; and

3 ~~(4)~~ in subsection ~~(c)~~, by striking out “\$23,500”
4 and inserting in lieu thereof “\$25,000”.

5 For the purposes of this Act—

6 ~~(1)~~ “Department” means each department, agency,
7 establishment, or other organization unit in or under the
8 legislative, executive, or judicial branch of the Government
9 of the United States or of the municipal government of the
10 District of Columbia, including a Government-owned or con-
11 trolled corporation.

12 ~~(2)~~ “Public official” means any officer or employee of
13 the Government of the United States or of the municipal gov-
14 ernment of the District of Columbia, whether elected or
15 appointed, in whom is vested the authority by law, rule, or
16 regulation, or to whom such authority has been delegated, to
17 appoint, promote, or discharge persons in connection with
18 employment with any such government or to recommend
19 persons for appointment or promotion.

20 ~~(3)~~ “Relative” means any person who is related to
21 a public official as father, mother, son, daughter, brother,
22 sister, uncle, aunt, first cousin, wife, niece, nephew, father-
23 in-law, mother-in-law, brother-in-law, sister-in-law, step-

1 father, stepmother, stepson, stepdaughter, stepbrother, or
2 stepsister.

3 SEC. 2. (a) A public official shall not appoint employ,
4 or recommend for appointment, employment, promotion, or
5 advancement to a position in the department in which he
6 is serving or over which he exercises jurisdiction or control
7 any person who is a relative of such official.

8 (b) Any relative appointed, employed, promoted, or
9 advanced in violation of this section shall not be entitled
10 to compensation, and no money shall be paid from the
11 Treasury of the United States as compensation to any rela-
12 tive so appointed, employed, promoted, or advanced.

13 EFFECTIVE DATES

14 SEC. 223. (a) Except as otherwise expressly provided,
15 this title shall take effect as follows:

16 (1) This section and sections 201, 207, 212, 216,
17 219, 220, and 221 shall become effective on the date of
18 enactment of this title.

19 (2) Sections 202, 203, 204, 205, 206, 208, 209,
20 210, 211, 213 (except subsection (d)), 214, and 217
21 shall become effective as of the beginning of the first pay
22 period which began on or after October 1, 1967.

23 (3) Sections 213(d), 215, 218, and 222 shall be-
24 come effective at the beginning of the first pay period

which begins on or after the date of enactment of this title.

~~(b)~~ For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

~~(1)~~ all changes in rates of pay which result from the enactment of this title ~~(except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213(d), 215, 216, and 222)~~ shall be held and considered to become effective as of the date of such enactment; and

~~(2)~~ all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

SEC. 224. ~~(a)~~ Section 5542(b) of title 5, United States Code, is amended to read:

~~“(b)~~ For the purpose of this subchapter, unscheduled overtime work performed by an employee on a day when work was not scheduled for him, or for which he is required

1 to return to his place of work, is deemed at least 2 hours in
2 duration.”

3 (b) Subchapter V of chapter 55 of title 5, United
4 States Code, is amended by inserting the following new
5 section after section 5542:

6 “§ 5542a. Time in travel status

7 “(a) For the purpose of this subchapter and except as
8 provided by subsections (b) and (c) of this section, time
9 spent by an employee in a travel status away from his
10 permanent duty station is hours of work only if—

11 “(1) the time spent is within the days and hours
12 of his regularly scheduled administrative workweek,
13 including regularly scheduled overtime work;—

14 “(2) the travel involves the performance of work
15 while traveling; or

16 “(3) the travel is carried out under arduous condi-
17 tions.

18 “(b) For the purpose of this subchapter, time spent
19 by an employee in actual travel outside his regularly sched-
20 uled administrative workweek, including regularly sched-
21 uled overtime work, is hours of work, if—

22 “(1) the employee is required to travel for a sub-
23 stantial distance because of an emergency arising from
24 an event that could not be scheduled or controlled ad-
25 ministratively; or

1 “(2) in the case of an employee in a grade of the
2 General Schedule below GS-10, or an employee in a
3 position not subject to the General Schedule the mini-
4 mum rate for which is less than the minimum rate for
5 GS-10, he is required—

6 “(A) to travel from his regular place of work
7 at his permanent or temporary duty station to a
8 work assignment, or travel from a work assignment
9 to his regular place of work, and the travel does
10 not require him to stay away from his permanent
11 or temporary duty station overnight;

12 “(B) to travel from his home to a 1-day
13 assignment at a place away from his permanent
14 duty station, or travel to his home from such a
15 1-day assignment, but not including the equivalent
16 of the time normally spent going from home to
17 work or work to home which, for this purpose,
18 may be considered 1 hour;

19 “(C) to travel from his lodgings at a temporary
20 duty station to a 1-day assignment away from his
21 temporary duty station, or travel to his lodgings
22 after such a 1-day assignment, but not including the
23 equivalent of the time normally spent going from
24 lodgings to work or work to lodgings which, for
25 this purpose, may be considered 1 hour;

1 “(D) to travel from his permanent duty station
2 to a place where he will stay overnight, but only
3 the time spent in actual travel during the first 4
4 hours after his departure;

5 “(E) to travel from a place where he stayed
6 overnight to his permanent duty station, but only
7 the time spent in actual travel during the last 4
8 hours before his arrival; or

9 “(F) to travel, in connection with going to or
10 returning from a place where he stays overnight,
11 on a nonworkday during the hours that correspond
12 to his regularly scheduled hours of work on a
13 workday.”

14 “(c) For an employee in GS-10 or a higher grade of
15 the General Schedule, or an employee in a position not
16 subject to the General Schedule the minimum rate for which
17 is equal to or greater than the minimum rate for GS-10, the
18 head of an agency may consider time spent in actual travel
19 outside the regularly scheduled administrative workweek,
20 including regularly scheduled overtime work, as hours of
21 work, if—

22 “(1) he considers it necessary to afford equitable
23 treatment to the employee; and

24 “(2) the travel time would be hours of work for an
25 employee under subsection (b)-(2) of this section.

1 However, the head of the agency may determine that each
 2 hour spent in actual travel shall count as only one-half hour
 3 of work."

4 (c) The analysis of chapter 55 of title 5, United States
 5 Code, is amended by inserting the following new item after
 6 item 5542:

"5542a. Time in travel status."

7 (d) The amendment made by this section shall become
 8 effective 90 days after the date of enactment.

9 ABSORPTION OF COSTS

10 SEC. 225. That part of the total amount of the in-
 11 creases provided by this title for the fiscal year ending June
 12 30, 1968, for officers, employees, offices, and positions in the
 13 executive branch of the Government which is in excess of
 14 the total amount of allowances in the Budget of the United
 15 States Government for the fiscal year ending June 30,
 16 1968, for increases in pay for civilian officers, employees,
 17 offices, and positions in the executive branch of the Federal
 18 Government shall be absorbed by the departments, agencies,
 19 establishments, and corporations in the executive branch
 20 (other than the postal field service); and no amount beyond
 21 the additional sum for such compensation increases proposed
 22 in the budget for the fiscal year 1968 is authorized to be ap-
 23 propriated by any provision of this Act. The total amount of
 24 such absorption shall be allocated by the Bureau of the

1 Budget among such departments, agencies, establishments,
2 and corporations (other than the postal field service) in such
3 manner and to such extent as the Director of the Bureau of
4 the Budget deems appropriate in the light of their essential
5 functions.

6 ~~(b)~~ Pursuant to the objective of this section, heads of the
7 executive branch activities concerned are directed to review
8 with meticulous care each vacancy resulting from voluntary
9 resignation, retirement, or death and to determine whether
10 the duties of the position can be reassigned to other em-
11 ployees or whether the position can be abolished without
12 seriously affecting the execution of essential functions.

13 ~~(c)~~ Nothing contained in subsection ~~(a)~~ of this section
14 shall be held or considered to require ~~(1)~~ the separation
15 from the service of any individual by reduction in force or
16 other personnel action or ~~(2)~~ the placing of any individual
17 in a leave-without-pay status.

18 SEC. 226. Notwithstanding any other provisions of this
19 title, officers and employees of the Office of Economic Op-
20 portunity shall not receive any increase in basic salary by
21 reason of the enactment of this Act, and such officers and
22 employees shall continue to receive compensation at the
23 same rate of compensation in effect on the day immediately
24 before the effective date of the salary increases provided
25 by Section 202.

TITLE III—PROHIBITION OF PANDERING
ADVERTISEMENTS

SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

“§ 4009. Prohibition of pandering advertisements in the
mails

“(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

“(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

“(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the

1 order. The order of the Postmaster General shall also direct
2 the sender and his agents or assigns to delete immediately
3 the names of the designated addressees from all mailing lists
4 owned or controlled by the sender or his agents or assigns
5 and, further, shall prohibit the sender and his agents or
6 assigns from the sale, rental, exchange, or other transaction
7 involving mailing lists bearing the names of the designated
8 addressees.

9 “(d) Whenever the Postmaster General believes that
10 the sender or anyone acting on his behalf has violated or is
11 violating the order given under this section, he shall serve
12 upon the sender, by registered or certified mail, a complaint
13 stating the reasons for his belief and request that any re-
14 sponse thereto be filed in writing with the Postmaster Gen-
15 eral within fifteen days after the date of such service. If the
16 Postmaster General, after appropriate hearing if requested
17 by the sender, and without a hearing if such a hearing is
18 not requested, thereafter determines that the order given has
19 been or is being violated, he is authorized to request the At-
20 torney General to make application, and the Attorney Gen-
21 eral is authorized to make application, to a district court of
22 the United States for an order directing compliance with such
23 notice.

24 “(e) Any district court of the United States within the
25 jurisdiction of which any mail matter shall have been sent
26 or received in violation of the order provided for by this

1 section shall have jurisdiction, upon application by the At-
 2 torney General, to issue an order commanding compliance
 3 with such notice. Failure to observe such order may be
 4 punished by the court as contempt thereof.

5 “(f) Receipt of mail matter thirty days or more after
 6 the effective date of the order provided for by this section
 7 shall create a rebuttable presumption that such mail was
 8 sent after such effective date.

9 “(g) Upon request of any addressee, the order of the
 10 Postmaster General shall include the names of any of his
 11 minor children who have not attained their nineteenth birth-
 12 day, and who reside with the addressee.

13 “(h) The provisions of subchapter II of chapter 5 (re-
 14 lating to administrative procedure) and chapter 7 (relating
 15 to judicial review) of part I of title 5, United States Code,
 16 shall not apply to any provisions of this section.

17 “(i) For the purposes of this section—

18 “(1) mail matter, directed to a specific address
 19 covered in the order of the Postmaster General, without
 20 designation of a specific addressee thereon, shall be
 21 considered as addressed to the person named in the Post-
 22 master General's order; and

23 “(2) the term ‘children’ includes natural children,
 24 stepchildren, adopted children, and children who are
 25 wards of or in custody of the addressee or who are living

1 with such addressee in a regular parent-child relation-
2 ship.”

3 ~~(b)~~ The table of contents of chapter 51 of title 39,
4 United States Code, is amended by adding at the end
5 thereof—

“4000. Prohibition of pandering advertisements in the mails.”

6 ~~SEC. 302.~~ The provisions of this title shall become effec-
7 tive on the one hundred and twentieth day after the date of
8 enactment of this Act.

9 *That this Act may be cited as the “Postal Revenue and Fed-*
10 *eral Salary Act of 1967”.*

11 TITLE I—POSTAL RATES

12 FIRST-CLASS MAIL

13 *SEC. 101. (a) Sections 4252 and 4253 of title 39,*
14 *United States Code, are amended to read as follows:*

15 “§ 4252. *Size and weight limits*

16 *“The maximum size of first-class mail is one hundred*
17 *inches in length and girth combined and the maximum weight*
18 *is seventy pounds.*

19 “§ 4253. *Postage rates on first-class mail*

20 *“(a) Postage on first-class mail is computed separately*
21 *on each letter or piece of mail. Except as otherwise pro-*
22 *vided in this section, the rate of postage on first-class mail*
23 *weighing thirteen ounces or less is 6 cents for each ounce or*
24 *fraction of an ounce.*

1 “(b) First-class mail weighing more than thirteen
2 ounces shall be mailed at the rates of postage established by
3 section 4303(d) of this title and shall be entitled to the
4 most expeditious handling and transportation practicable.

5 “(c) The rate of postage for each single postal card
6 and for each portion of a double postal card, including the
7 cost of manufacture, and for each post card and the initial
8 portion of each double post card conforming to section 4251
9 (c) of this title is 5 cents.

10 “(d) The rate of postage on business reply mail is the
11 regular rate prescribed in this section, together with an addi-
12 tional charge thereon of 2 cents for each piece weighing two
13 ounces or less and 5 cents for each piece weighing more than
14 two ounces. The postage and charge shall be collected on
15 delivery.”.

16 (b) Section 4251(a) of title 39, United States Code,
17 is amended by striking out “and (4)” and inserting in lieu
18 thereof “(4) bills and statements of account, and (5)”.

19 (c) Subsection (d) of section 4251 of title 39, United
20 States Code, relating to the definition of drop letters, is
21 repealed.

22 (d) The table of contents of chapter 59 of title 39, United
23 States Code, is amended by striking out—

“4252. Weight limit.”

1 *and inserting in lieu thereof—*

“4252. Size and weight limits.”.

2

AIRMAIL

3 *SEC. 102. (a) Subsections (a) and (b) of section 4303*
4 *of title 39, United States Code, are amended to read as*
5 *follows:*

6 *“(a) Except as provided in section 4304 of this title*
7 *and subsection (b) of this section, the rate of postage on*
8 *domestic airmail weighing not more than 7 ounces is 10 cents*
9 *for each ounce or fraction thereof.*

10 *“(b) The rate of postage on each postal card and post*
11 *card sent as domestic airmail is 8 cents.”.*

12 *(b) Subsection (d) of section 4303 of title 39, United*
13 *States Code, is amended—*

14 *(1) by striking out paragraph (1) and inserting*
15 *in lieu thereof the following:*

16 *“(1) The rates of postage on air parcel post are based*
17 *on the eight zones described in section 4553, or prescribed*
18 *pursuant to section 4558, of this title in accordance with the*
19 *following tables:*

	“Zones					
	Local 1, 2, and 3	4	5	6	7	8
<i>Not over 1 lb.....</i>	<i>\$0.80</i>	<i>\$0.80</i>	<i>\$0.80</i>	<i>\$0.80</i>	<i>\$0.80</i>	<i>\$0.80</i>
<i>Over 1 lb. but not over 1½ lbs.....</i>	<i>.98</i>	<i>1.02</i>	<i>1.07</i>	<i>1.14</i>	<i>1.18</i>	<i>1.24</i>
<i>Over 1½ lbs. but not over 2 lbs.....</i>	<i>1.16</i>	<i>1.23</i>	<i>1.34</i>	<i>1.47</i>	<i>1.55</i>	<i>1.68</i>
<i>Over 2 lbs. but not over 2½ lbs.....</i>	<i>1.40</i>	<i>1.48</i>	<i>1.62</i>	<i>1.79</i>	<i>1.91</i>	<i>2.08</i>
<i>Over 2½ lbs. but not over 3 lbs.....</i>	<i>1.64</i>	<i>1.73</i>	<i>1.90</i>	<i>2.11</i>	<i>2.27</i>	<i>2.48</i>
<i>Over 3 lbs. but not over 3½ lbs.....</i>	<i>1.88</i>	<i>1.98</i>	<i>2.18</i>	<i>2.43</i>	<i>2.63</i>	<i>2.88</i>
<i>Over 3½ lbs. but not over 4 lbs.....</i>	<i>2.12</i>	<i>2.23</i>	<i>2.46</i>	<i>2.75</i>	<i>2.99</i>	<i>3.28</i>
<i>Over 4 lbs. but not over 4½ lbs.....</i>	<i>2.36</i>	<i>2.48</i>	<i>2.74</i>	<i>3.07</i>	<i>3.35</i>	<i>3.68</i>
<i>Over 4½ lbs. but not over 5 lbs.....</i>	<i>2.60</i>	<i>2.73</i>	<i>3.02</i>	<i>3.39</i>	<i>3.71</i>	<i>4.08</i>

1 *For each pound or fraction of a pound in excess of five*
 2 *pounds in weight, the additional postage is as follows:*

<i>"Zones"</i>	<i>Rate</i>
<i>Local and zones 1, 2, and 3.....</i>	<i>\$0.48</i>
<i>Zone 4.....</i>	<i>.60</i>
<i>Zone 5.....</i>	<i>.66</i>
<i>Zone 6.....</i>	<i>.64</i>
<i>Zone 7.....</i>	<i>.72</i>
<i>Zone 8.....</i>	<i>.80";</i>

3 *and*

4 *(2) by deleting paragraph (2).*

5 *(c) Section 4303(f) of title 39, United States Code, is*
 6 *amended by striking out "the Virgin Islands or the Canal*
 7 *Zone" wherever appearing therein and inserting in lieu*
 8 *thereof "or the Virgin Islands".*

9 *(d) Section 4301(2) of title 39, United States Code,*
 10 *is amended by striking out the word "eight" and inserting*
 11 *in lieu thereof the figure "7".*

12 *SECOND-CLASS MAIL PREFERRED RATES*

13 *SEC. 103. (a) Section 4358 of title 39, United States*
 14 *Code, is amended—*

15 *(1) by striking out subsection (a) and inserting*
 16 *in lieu thereof the following:*

17 *"(a) Except as provided in subsection (b), the rate*
 18 *of postage on publications admitted as second-class mail*

1 when addressed for delivery within the county in which they
2 are published and entered is as follows:

" [In cents]			
	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2,"

3 (2) by adding at the end thereof the following:

4 "(d) (1) Except as provided in paragraph (2), the
5 rates of postage on publications, mailed in accordance with
6 section 4359(a) of this title, of qualified nonprofit organiza-
7 tions, are as follows:

[In cents]						
	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	Mailed after Dec. 31, 1972
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.4	2.9	3.5	4.1	4.6	5.2
Zone 3.....	2.6	3.3	4.1	4.9	5.6	6.4
Zone 4.....	3.0	4.1	5.3	6.5	7.6	8.8
Zone 5.....	3.4	4.9	6.5	8.0	9.6	11.1
Zone 6.....	3.8	5.7	7.7	9.7	11.6	13.6
Zone 7.....	3.9	6.0	8.1	10.3	12.4	14.5
Zone 8.....	4.3	6.9	9.4	11.9	14.5	17.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.2	.2	.2	.2	.2	.2

8 "(2) The postage on an issue of a publication referred
9 to in paragraph (1), the advertising portion of which does
10 not exceed 10 per centum of such issue, shall be computed
11 without regard to the rates applicable to the advertising
12 portion prescribed in such paragraph.

13 "(e) The postage on classroom publications, mailed in
14 accordance with section 4359(a) of this title, is 60 per
15 centum of the postage computed in accordance with section
16 4359(b) of this title.

1 “(f) The postage shall be 4.2 cents per pound on the
2 advertising portion of publications (1) which are mailed
3 for delivery in zones 1 and 2 in accordance with section
4 4359(a) of this title, (2) which are devoted to promoting
5 the science of agriculture, and (3) when the total number
6 of copies of the publications furnished during any twelve-
7 month period to subscribers residing in rural areas consists
8 of at least 70 per centum of the total number of copies
9 distributed by any means for any purpose.

10 “(g) In lieu of the minimum charge per piece pre-
11 scribed by section 4359(b) of this title, the minimum charge
12 per piece for publications (other than publications to which
13 subsections (d) and (e) of this section are applicable),
14 when fewer than five thousand copies are mailed outside
15 the county of publication, is 0.6 cent per piece when mailed
16 during the calendar year 1968, 0.7 cent per piece when
17 mailed during the calendar year 1969, and 0.8 cent per
18 piece when mailed thereafter.

19 “(h) The publisher of a classroom publication, of a
20 publication referred to in subsection (f) of this section, or of
21 a publication of a nonprofit organization, before being en-
22 titled to the rates for the publications, shall furnish such
23 proof of qualifications as the Postmaster General prescribes.

24 “(i) For the purposes of the application of this section

1 *with respect to each publication having original entry at an*
2 *independent incorporated city, an incorporated city which*
3 *is situated entirely within a county, or which is situated*
4 *contiguous to one or more counties in the same State, but*
5 *which is politically independent of such county or counties,*
6 *shall be considered to be within and a part of the county*
7 *with which it is principally contiguous.*

8 “(j) *As used in this section—*

9 “(1) *‘classroom publication’ means a religious,*
10 *educational, or scientific publication entered as second-*
11 *class mail and designed specifically for use in class-*
12 *rooms or in religious instruction classes;*

13 “(2) *‘a publication of a qualified nonprofit orga-*
14 *nization’ means a publication published by and in the*
15 *interest of one of the following types of organizations or*
16 *associations if it is not organized for profit and none*
17 *of its net income inures to the benefit of any private*
18 *stockholder or individual: Religious, educational, scien-*
19 *tific, philanthropic, agricultural, labor, veterans’, frater-*
20 *nal, nonprofit educational television stations, educational*
21 *television agencies operated by a State or a political sub-*
22 *division thereof, and associations of rural electric cooper-*

atives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

“(3) ‘zones’ means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.”; and

(3) by amending the section heading to read as follows:

“§ 4358. Rates of postage; preferred”.

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

“4358. Postage rates within county of publication.”

and inserting in lieu thereof—

“4358. Rates of postage; preferred.”.

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

“(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publi-

1 cations mailed in accordance with subsection (a) are as
2 follows:

"In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3

3 “(c) For the purpose of this section and section 4358
4 of this title, the portion of a publication devoted to adver-
5 tisements shall include all advertisements inserted in the
6 publication and attached permanently thereto.

7 “(d) (1) Publications mailed in accordance with sub-
8 section (a), upon request by the publisher or news agent,
9 may be transported by air on a space-available basis, on
10 scheduled United States air carriers at rates fixed and de-
11 termined by the Civil Aeronautics Board in accordance with
12 section 406 of the Federal Aviation Act of 1958 (49 U.S.C.
13 1376). The Postmaster General may authorize the trans-
14 portation of publications by air pursuant to this subsection
15 only when such transportation does not impede the trans-
16 portation of airmail, air parcel post, or air transportation of
17 first-class mail on a space-available basis.

18 “(2) The Postmaster General shall prescribe from time
19 to time charges to be collected for matter transported by air
20 pursuant to this section. The charges—

1 “(A) shall be in addition to the payment of law-
2 fully required postage;

3 “(B) may not be adjusted more frequently than
4 once every two years; and

5 “(C) when prescribed or adjusted, shall equal, as
6 nearly as practicable, the amount by which the allocated
7 cost incurred by the Department for the delivery of such
8 matter by air is in excess of the allocated cost which
9 would have been incurred by the Department had such
10 matter been delivered by surface transportation, and,
11 when added to lawfully required postage, shall not be less
12 than 4 cents per piece.

13 “(e) As used in this section the term ‘zones’ means the
14 eight zones described in section 4553, or prescribed pur-
15 suant to section 4558, of this title.”; and

16 (2) by amending the section heading to read as
17 follows:

18 “§ 4359. Rates of postage; regular”.

19 (b) The table of contents of chapter 63 of title 39,
20 United States Code, is amended by striking out—

 “4359. Postage rates beyond county of publication.”

21 and inserting in lieu thereof—

 “4359. Rates of postage; regular.”.

22 (c) Subsection (b) of section 4365 of title 39, United
23 States Code, is amended by striking out “bills,”.

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.5	15.1	16.0
Minimum charge per piece.....	1.9	2.9	3.8".

THIRD-CLASS MAIL

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing	Rates		Unit
	Mailed during cal- endar year 1968	Mailed after Dec. 31, 1968	
	Cents	Cents	
(1) Individual piece.....	6.0	6.0	First 2 ounces or fraction thereof.
	2.0	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

1 “(b) Matter mailed in bulk under subsection (e) by
 2 qualified nonprofit organizations is subject to a minimum
 3 charge for each piece equal to 40 per centum of the minimum
 4 charge per piece provided under subsection (a), rounded off
 5 to the nearest one-tenth cent.”.

6 (b) Subsection (b) of section 4451 of title 39, United
 7 States Code, relating to mailing certain bills and statements
 8 of account as third-class mail, is repealed.

9 SPECIAL RATE FOURTH-CLASS MAIL

10 SEC. 108. (a) Section 4554 of title 39, United States
 11 Code, is amended—

12 (1) by amending so much of subsection (a) as
 13 precedes subparagraph (3) thereof to read as follows:

14 “(a) Except as provided in subsection (b) of this sec-
 15 tion, the postage rate is 12 cents for the first pound or
 16 fraction thereof and 6 cents for each additional pound or
 17 fraction thereof, except that the rate now or hereafter pre-
 18 scribed for third- or fourth-class matter shall apply in every
 19 case where such rate is lower than the rate prescribed in this
 20 subsection on—

21 “(1) books, including books issued to supplement
 22 other books, containing twenty-four pages or more (at
 23 least twenty-two of which are printed), consisting wholly
 24 of reading matter or scholarly bibliography or reading
 25 matter with incidental blank spaces for notations, and

1 *containing no advertising matter other than incidental*
2 *announcements of books, including any accompanying*
3 *pad of forms or ballots for use in obtaining expressions*
4 *of opinion with respect to questions related to the*
5 *subject matter of the book;*

6 “(2) 16-millimeter or narrower width films, and
7 *catalogs of such films, except when sent to or from com-*
8 *mmercial theaters;”;*

9 (2) by striking out in subsection (b)(1) “4 cents
10 *for the first pound or fraction thereof and 1 cent for each*
11 *additional pound or fraction thereof” and inserting in*
12 *lieu thereof “5 cents for the first pound or fraction*
13 *thereof and 2 cents for each additional pound or fraction*
14 *thereof”;*

15 (3) by inserting in subsection (b)(1)(B) “mu-
16 *seums and herbaria,” immediately following “public*
17 *libraries,”;*

18 (4) in subsection (b)(2) by striking out “and” at
19 *the end of clause (E); by striking out the period at the*
20 *end of clause (F) and inserting in lieu thereof “; and”;*
21 *and by adding at the end of such subsection the follow-*
22 *ing new clause:*

23 “(G) museum materials, specimens, collections,
24 *teaching aids, printed matter, and interpretative mate-*

1 *rials intended to inform and to further the education*
 2 *work and interests of museums and herbaria.”;*

3 (5) *by inserting in subsection (c) “or narrower*
 4 *width” immediately following “16-millimeter”, and*
 5 *“museum materials, specimens, collections, teaching aids,*
 6 *printed matter, and interpretative materials intended to*
 7 *inform and to further the educational work and interests*
 8 *of museums and herbaria,” immediately following “sound*
 9 *recordings,”; and*

10 (6) *by amending subsection (e) to read as follows:*

11 *“(e) Articles may be mailed under this section in*
 12 *quantities of one thousand or more in a single mailing, as*
 13 *defined by the Postmaster General, only in the manner*
 14 *directed by him.”.*

15 (b) *The section heading of section 4554 of title 39,*
 16 *United States Code, is amended to read—*

17 *“§ 4554. Books, films, and other materials; preferred*
 18 *rates”.*

19 (c) *The table of contents of chapter 67 of title 39,*
 20 *United States Code, is amended by striking out—*

“4554. Postage rates on books and films.”

21 *and inserting in lieu thereof—*

“4554. Books, films, and other materials; preferred rates.”.

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,".

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

“§ 6008. Special handling

“Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail.”.

SEPARATION BY MAILER OF SECOND-CLASS MAIL

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

“§ 4363. Separation by mailer of second-class mail

“The Postmaster General may require publishers and news agents to make up and address second-class matter in accordance with a 5-digit ZIP code system.”.

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

“(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.”.

ADDITIONAL ENTRY POINTS

SEC. 113. Section 4358(b) of title 39, United States Code, is amended to read as follows:

“(b) The rates of postage on the following publications admitted as second-class mail, when mailed for delivery by letter carrier at the office of mailing, shall be as follows:

“[Cents per copy]				
	“Mailed at office of original entry	Mailed at an office of additional entry during—		
		Fiscal year 1969	Fiscal year 1970	Fiscal year 1971 and thereafter
Published more frequently than weekly.....	1	1.5	2.0	2.5
Published less frequently than weekly:				
Weighing two ounces or less.....	1	1.5	2.0	2.5
Weighing more than two ounces.....	2	2.5	3.0	3.5”.

1 *The rates prescribed in section 4359 of this title shall apply*
2 *to publications published weekly and mailed at additional*
3 *entry offices and to any publications mailed at an additional*
4 *entry office which does not have letter carrier service.”.*

5 *MAIL MATTER FOR BLIND AND OTHER HANDICAPPED*
6 *PERSONS*

7 *SEC. 114. (a) Chapter 69 of title 39, United States*
8 *Code, is amended by striking out sections 4653 and 4654*
9 *thereof and inserting in lieu thereof the following:*

10 *“§ 4653. Matter for blind and other handicapped persons*

11 *“(a) The matter described in subsection (b) (other*
12 *than matter mailed under section 4654 of this title) may*
13 *be mailed free of postage, if—*

14 *“(1) the matter is for the use of the blind or other*
15 *persons who cannot use or read conventionally printed*
16 *material because of a physical impairment who are*
17 *certified by competent authority as unable to read normal*
18 *reading material in accordance with the provisions of the*
19 *first section of the Act of July 30, 1966 (Public Law*
20 *89-522; 80 Stat. 330);*

21 *“(2) no charge, or rental, subscription, or other*
22 *fee, is required for such matter or a charge, or rental,*
23 *subscription, or other fee is required for such matter*
24 *not in excess of the cost thereof;*

1 “(3) the matter may be opened by the Postmaster
2 General for inspection;

3 “(4) the matter contains no advertising; and

4 “(5) the matter is mailed subject to size and weight
5 limitations prescribed by the Postmaster General.

6 “(b) The free mailing privilege provided by subsection
7 (a) is extended to—

8 “(1) reading matter and musical scores;

9 “(2) sound reproductions;

10 “(3) paper, records, tapes, and other material for
11 the production of reading matter, musical scores, or
12 sound reproductions;

13 “(4) reproducers or parts thereof, for sound repro-
14 ductions; and

15 “(5) Braille writers, typewriters, educational or
16 other materials or devices, or parts thereof, used for writ-
17 ing by, or specifically designed or adapted for use of, a
18 blind person or a person having a physical impairment
19 as described in subsection (a)(1) of this section.

20 “§ 4654. Unsealed letters sent by blind or physically hand-
21 icapped persons

22 “Unsealed letters sent by a blind person or a person
23 having a physical impairment, as described in section
24 4653(a)(1) of this title, in raised characters or sightsaving

1 *type, or in the form of sound recordings, may be mailed free*
 2 *of postage.*

3 “§ 4655. *Markings*

4 “*All matter relating to blind or other handicapped per-*
 5 *sons mailed under section 4653, or section 4654, of this title,*
 6 *shall bear the words ‘Free Matter for the Blind or Handi-*
 7 *capped’, or words to that effect specified by the Postmaster*
 8 *General, in the upper right-hand corner of the address area.’.*

9 (b) *The table of contents of chapter 69 of title 39,*
 10 *United States Code, is amended by striking out—*

“*4653. Publications for the blind.*

“*4654. Reproducers and sound reproduction records for the blind.*”

11 *and inserting in lieu thereof—*

“*4653. Matter for blind and other handicapped persons.*

“*4654. Unsealed letters sent by blind or physically handicapped persons.*

“*4655. Markings.*”.

12 (c) *Section 4451(d) of title 39, United States Code, is*
 13 *repealed.*

14 *PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL*

15 *SEC. 115. Section 4555(a) of title 39, United States*
 16 *Code, is amended—*

17 (1) *by striking out “and” at the end of clause (9);*

18 (2) *by striking out the period at the end of clause*

19 (10) *and inserting in lieu thereof “; and”; and*

20 (3) *by adding at the end thereof:*

21 “(11) *invoices, whether or not also serving as bills,*

if they relate solely to the matter with which they are mailed."

*REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL
ZONE*

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

*“§ 4170. Mailing privilege of members of United States
Armed Forces and of friendly foreign nations
in the Canal Zone*

“(a) For the purposes of sections 4169(a), 4303(d) (5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

“(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service

1 of the Canal Zone, as determined by the Governor of the
 2 Canal Zone, for matter sent in the mails, and in providing
 3 air transportation of mail, under such sections.”.

4 (b) The table of contents of chapter 57 of title 39,
 5 United States Code, is amended by adding—

“4170. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations in the Canal Zone.”

6 immediately below—

“4169. Mailing privilege of members of United States Armed Forces and
 of friendly foreign nations.”.

7 SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF
 8 ACCOUNT

9 SEC. 117. (a) Section 4001 of title 39, United States
 10 Code, relating to nonmailable matter, is amended by adding
 11 at the end thereof the following new subsection:

12 “(c) Matter otherwise legally acceptable in the mails
 13 which—

14 “(1) is in the form of, and reasonably could be in-
 15 terpreted or construed as, a bill, invoice, or statement
 16 of account due; but

17 “(2) constitutes, in fact, a solicitation for the order
 18 by the addressee of goods or services, or both;

19 is nonmailable matter, shall not be carried or delivered by
 20 mail, and shall be disposed of as the Postmaster General
 21 directs, unless such matter bears on its face, in conspicuous
 22 and legible type in contrast by typography, layout, or color

1 with other printing on its face, in accordance with regula-
 2 tions which the Postmaster General shall prescribe—

3 “(A) the following notice: ‘This is a solicitation
 4 for the order of goods and/or services and not a bill,
 5 invoice, or statement of account due. You are not under
 6 obligation to make any payments on account of this offer
 7 unless you accept this offer.’; or

8 “(B) in lieu thereof, a notice to the same effect in
 9 words which the Postmaster General may prescribe.”.

10 (b) The amendment made by this section shall become
 11 effective with respect to matter mailed on or after the nine-
 12 tieth day following the effective date of this section.

13 EFFECTIVE DATE

14 SEC. 118. This title, except section 113, shall become
 15 effective on January 7, 1968. Section 113 shall become effec-
 16 tive on July 1, 1968.

17 CONFORMING AMENDMENTS

18 SEC. 119. (a) (1) Subparagraph (A) of section 2303
 19 (a)(1) of title 39, United States Code, is repealed.

20 (2) Subparagraph (D) of such section is amended to
 21 read as follows:

22 “(D) free postage on reading matter and other
 23 articles for the blind and other handicapped persons as
 24 provided by sections 4653 and 4654 of this title;”.

1 (3) Subparagraph (I) is amended by striking out “ed-
2 ucational”.

3 (b) Section 4552(c) of such title is amended—

4 (1) by inserting “and” after the semicolon at the
5 end of paragraph (4);

6 (2) by striking out “; and” at the end of paragraph
7 (5) and inserting in lieu thereof a period; and

8 (3) by striking out paragraph (6).

9 EDUCATIONAL TELEVISION

10 SEC. 120. Section 4355(a) of title 39, United States
11 Code, is amended by striking out the period at the end of item
12 (10) and inserting in lieu thereof a semicolon and the word
13 “or”, and by adding after item (10) the following new item:

14 “(11) published by an educational television agency
15 of a State or political subdivision thereof or by a non-
16 profit educational television station.”.

17 TITLE II—FEDERAL SALARY INCREASES

18 SHORT TITLE

19 SEC. 201. This title may be cited as the “Federal Salary
20 Act of 1967”.

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4	4,886	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	
GS-17	23,788	24,581	25,374	26,167	26,960					
GS-18	27,055									

(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Sched-

1 *ule, he shall receive a rate of basic pay at the corre-*
2 *sponding rate in effect on and after such date.*

3 *(2) If the officer or employee is receiving basic pay*
4 *immediately prior to the effective date of this section at a*
5 *rate between two rates of a grade in the General Sched-*
6 *ule, he shall receive a rate of basic pay at the higher*
7 *of the two corresponding rates in effect on and after*
8 *such date.*

9 *(3) If the officer or employee is receiving basic pay*
10 *immediately prior to the effective date of this section at*
11 *a rate in excess of the maximum rate for his grade, he*
12 *shall receive (A) the maximum rate for his grade in*
13 *the new schedule, or (B) his existing rate of basic pay*
14 *increased by 4.5 per centum, rounded to the next highest*
15 *dollar, if such existing rate as so increased is higher.*

16 *(4) If the officer or employee, immediately prior*
17 *to the effective date of this section, is receiving, pursuant*
18 *to section 2(b)(4) of the Federal Employees Salary*
19 *Increase Act of 1955, an existing aggregate rate of pay*
20 *determined under section 208(b) of the Act of Septem-*
21 *ber 1, 1954 (68 Stat. 1111), plus subsequent increases*
22 *authorized by law, he shall receive an aggregate rate of*
23 *pay equal to the sum of his existing aggregate rate of*
24 *pay on the day preceding the effective date of this sec-*
25 *tion, plus the amount of increase made by this section in*

1 *the maximum rate of his grade, until (i) he leaves his*
2 *position, or (ii) he is entitled to receive aggregate pay*
3 *at a higher rate by reason of the operation of this Act or*
4 *any other provision of law; but, when such position be-*
5 *comes vacant, the aggregate rate of pay of any subse-*
6 *quent appointee thereto shall be fixed in accordance with*
7 *applicable provisions of law. Subject to clauses (i) and*
8 *(ii) of the immediately preceding sentence of this sub-*
9 *paragraph, the amount of the increase provided by this*
10 *section shall be held and considered for the purposes of*
11 *section 208(b) of the Act of September 1, 1954, to*
12 *constitute a part of the existing rate of pay of the*
13 *employee.*

14 *(5) If the officer or employee, at any time during*
15 *the period beginning on the effective date of this section*
16 *and ending on the date of enactment of this title, was*
17 *promoted from one grade under the General Schedule*
18 *contained in section 5332(a) of title 5, United States*
19 *Code, to another such grade at a rate which is above the*
20 *minimum rate thereof, his rate of basic pay shall be*
21 *adjusted retroactively from the effective date of this*
22 *section to the date on which he was so promoted, on the*
23 *basis of the rate which he was receiving during the*
24 *period from such effective date to the date of such pro-*
25 *motion and, from the date of such promotion, on the*

1 *basis of the rate for that step of the appropriate grade*
2 *of the General Schedule contained in the amendment*
3 *made by subsection (a) of this section which corre-*
4 *sponds numerically to the step of the grade of the Gen-*
5 *eral Schedule to which such officer or employee was*
6 *promoted as in effect (without regard to this title) at*
7 *the time of such promotion.*

8 *(6) If the officer or employee, at any time during*
9 *the period beginning on the effective date of this section*
10 *and ending on the date of enactment of this title, became*
11 *subject to the General Schedule and his rate of basic pay*
12 *was set above the minimum rate of the grade on the*
13 *basis of a previously earned rate above such minimum*
14 *rate, his rate of basic pay shall be adjusted retroactively*
15 *to the date on which he became subject to the General*
16 *Schedule on the basis of the rate of the appropriate*
17 *grade of the General Schedule contained in this section*
18 *which corresponds numerically to the rate of the grade*
19 *at which the pay of such officer or employee was set at*
20 *the time he became subject to the General Schedule.*

21 *LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS*

22 *SEC. 203. Section 3301 of title 39, United States Code,*
23 *is amended by striking out "salary levels 19 and 20" and*
24 *inserting in lieu thereof "salary levels 20 and 21".*

1 *CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE*

2 *SEC. 204. (a) That part of chapter 45 of title 39,*
3 *United States Code, under the heading "POSITIONS" is*
4 *amended by striking out section 3512 and inserting in lieu*
5 *thereof the following new sections:*

6 *"§ 3512. Positions in salary level 1*

7 *"Cleaner. (KP-51)*

8 *"(1) Basic function.—Performs a variety of light clean-*
9 *ing and housekeeping tasks in connection with the custodial*
10 *maintenance of a postal installation.*

11 *"(2) Duties and responsibilities.—*

12 *"(A) Sweeps, mops, dusts, washes, and otherwise*
13 *performs light cleaning and housekeeping tasks to main-*
14 *tain offices, washrooms, lobbies, corridors, stairways, and*
15 *other areas of the building in neat and orderly condition.*

16 *"(B) Performs such duties as dusting, waxing, and*
17 *polishing office furniture, sweeping and mopping floors,*
18 *vacuuming rugs, emptying wastebaskets and trash,*
19 *washing interior window and partition glass and fixtures*
20 *which can be reached without use of ladders or scaf-*
21 *folding.*

22 *"(3) Organizational relationships.—Reports to a fore-*
23 *man or other designated supervisor.*

1 “§ 3512A. *Positions in salary level 2*

2 “*Custodian. (KP-1)*

3 “(1) *Basic function.—Performs manual laboring du-*
4 *ties in connection with custody of an office or building.*

5 “(2) *Duties and responsibilities.—*

6 “(A) *Performs any combination of the following*
7 *duties:*

8 “1. *Moves furniture and equipment.*

9 “2. *Uncrates and assembles furniture and fix-*
10 *tures, using bolts and screws for assembly.*

11 “3. *Loads and unloads supplies and equipment.*

12 “4. *Removes trash from work areas, lobbies,*
13 *and washrooms.*

14 “5. *Tends to lawns, shrubbery, and premises of*
15 *the post office and cleans ice and snow from the*
16 *sidewalks and driveways.*

17 “6. *Stacks supplies in storage rooms and on*
18 *shelves, and completes forms or records as required.*

19 “(B) *May perform cleaning duties as assigned.*

20 “(3) *Organizational relationships.—Reports to a fore-*
21 *man or other designated supervisor.”.*

22 (b) *Each salary level number in the headings of sec-*
23 *tions 3513 to 3531, inclusive, of title 39, United States Code,*
24 *and each other numerical reference to such salary level num-*
25 *ber in any other provision of such title (including the table of*

1 contents of chapter 45) which is not otherwise increased by
2 this title, is increased by 1.

3 (c) Each employee in the postal field service on the
4 date of enactment of this title, whose position is placed in
5 salary level 2 of the Postal Field Service Schedule by reason
6 of the enactment of this section and section 205(e)(1) of
7 this title, shall remain in salary level 2 of such schedule so
8 long as he remains in such position or occupies, without break
9 in service of more than thirty days, a position of a comparable
10 level of duties, responsibilities, and work requirements in such
11 salary level. When the employee leaves any such position, the
12 position shall be appropriately ranked in accordance with
13 chapter 45 of title 39, United States Code.

14 (d) The table of contents of chapter 45 of title 39,
15 United States Code, is amended by inserting—

“3512A. Positions in salary level 2.”

16 immediately below—

“3512. Positions in salary level 1.”.

17 POSTAL FIELD SERVICE EMPLOYEES

18 SEC. 205. (a) Section 3542(a) of title 39, United
19 States Code, is amended to read as follows:

20 “(a) There are established basic compensation sched-
21 ules for positions in the postal field service which shall be
22 known as the Postal Field Service Schedules and for which
23 the symbol shall be ‘PFS’. Except as provided in sections

- 1 3543 and 3544 of this title, basic compensation shall be paid
 2 to all employees in accordance with such schedules.

"POSTAL FIELD SERVICE SCHEDULE I

"[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below]"

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7	6,432	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8	6,839	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	
9	7,251	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756		
10	7,678	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558		
11	8,116	8,946	9,246	9,546	9,846	10,146	10,446	10,746	11,046	11,346		
12	8,565	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781		
13	9,025	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127		
14	9,496	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668		
15	9,978	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	
16	10,471	14,666	15,168	15,670	16,172	16,674	17,176	17,678	18,180	18,682		
17	10,975	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	
18	11,490	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	
19	12,015	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	
20	12,550	21,768	22,484	23,210	23,936	24,662	25,388	26,114	26,840			
21	13,085	24,126	24,932	25,738	26,544	26,960						

"POSTAL FIELD SERVICE SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]"

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,898	6,134	6,370	6,606	6,842	7,078	7,314	7,550	7,786	8,022	8,258	8,494
6	6,348	6,660	6,972	7,284	7,596	7,908	8,220	8,532	8,844	9,156	9,468	9,780
7	6,807	7,233	7,659	8,085	8,511	8,937	9,363	9,789	10,215	10,641	11,067	11,493
8	7,286	7,829	8,372	8,915	9,458	9,991	10,524	11,057	11,590	12,123	12,656	13,189
9	7,791	8,453	9,115	9,777	10,439	11,101	11,763	12,425	13,087	13,749	14,411	15,073
10	8,315	9,103	9,891	10,679	11,467	12,255	13,043	13,831	14,619	15,407	16,195	16,983
11	8,859	9,771	10,683	11,595	12,507	13,419	14,331	15,243	16,155	17,067	17,979	18,891
12	9,423	10,465	11,507	12,549	13,591	14,633	15,675	16,717	17,759	18,801	19,843	20,885
13	10,007	11,179	12,351	13,523	14,695	15,867	17,039	18,211	19,383	20,555	21,727	22,899
14	10,611	11,913	13,215	14,517	15,819	17,121	18,423	19,725	21,027	22,329	23,631	24,933
15	11,235	12,677	14,119	15,561	17,003	18,445	19,887	21,329	22,771	24,213	25,655	27,097
16	11,879	13,461	15,043	16,625	18,207	19,789	21,371	22,953	24,535	26,117	27,699	29,281
17	12,543	14,265	16,007	17,749	19,491	21,233	22,975	24,717	26,459	28,201	29,943	31,685
18	13,227	15,109	17,011	18,913	20,815	22,717	24,619	26,521	28,423	30,325	32,227	34,129
19	13,931	16,003	18,095	20,187	22,279	24,371	26,463	28,555	30,647	32,739	34,831	36,923
20	14,655	16,867	19,079	21,291	23,503	25,715	27,927	30,139	32,351	34,563	36,775	38,987
21	15,400	17,752	20,104	22,456	24,808	27,160	29,512	31,864	34,216	36,568	38,920	41,272

- 3 (b) Section 3543(a) of title 39, United States Code,
 4 is amended to read as follows:
 5 "(a) There are established basic compensation sched-
 6 ules which shall be known as the Rural Carrier Schedules
 7 and for which the symbol shall be 'RCS'. Compensation
 8 shall be paid to rural carriers in accordance with such
 9 schedules.

"RURAL CARRIER SCHEDULE I

"[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94 25	96 25	98 25	100 25	102 25	104 25	106 25	108 25	110 25	112 25	114 25	116 25
For each mile of route over 30.....												

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99 25	101 25	103 25	105 25	107 25	109 25	111 25	113 25	115 25	117 25	119 25	121 25"
For each mile of route over 30.....												

(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General

1 *determines necessary to be performed by such post-*
2 *master to operate the post office, in the light of the*
3 *postal needs of the patrons of the office, bears to the*
4 *total number of hours per day of such full-time service.*
5 *Actions and determinations by the Postmaster General under*
6 *this subsection shall be final and conclusive until changed by*
7 *him.*

8 *“(b) A person who performs the duties of postmaster*
9 *at a post office of the fourth class where there is a vacancy,*
10 *or during the absence of the postmaster on sick or annual*
11 *leave or leave without pay, shall be compensated at the rate*
12 *of basic compensation for step 1 of salary level 6 of the*
13 *Postal Field Service Schedule, determined under subsection*
14 *(a) of this section.*

15 *“(c) When required by the Postmaster General, a*
16 *postmaster at a fourth-class office shall, and any other post-*
17 *master in PFS level 6 when permitted by the Postmaster*
18 *General may, furnish quarters, fixtures, and equipment for*
19 *an office on an allowance basis. The allowance for this pur-*
20 *pose shall be an amount equal to 15 per centum of the basic*
21 *compensation for step 1 of salary level 6 of the Postal Field*
22 *Service Schedule, determined under subsection (a) of this*
23 *section.”.*

24 *(d) Each postmaster at a post office of the fourth class*
25 *on the effective date of Postal Field Service Schedule I shall*

1 be placed in salary level 6 of the Postal Field Service Sched-
2 ule at the lowest step which provides a rate, determined
3 under section 3544(a) of title 39, United States Code, which
4 is at least equal to his rate of basic compensation in effect
5 immediately prior to such effective date plus 6 per centum
6 thereof. If there is no such step in salary level 6, he is en-
7 titled to his rate of basic compensation in effect immediately
8 prior to such effective date plus 6 per centum thereof. For
9 the purposes of this subsection, basic compensation in effect
10 immediately prior to the effective date of Postal Field Service
11 Schedule I shall be determined after giving effect to any
12 change in salary step or revenue units category which would
13 have occurred on the effective date of this section without
14 regard to the enactment of this title.

15 (e) The basic compensation of each employee subject
16 to the Postal Field Service Schedule or the Rural Carrier
17 Schedule immediately prior to the effective date of Postal
18 Field Service Schedule I shall be determined as follows:

19 (1) Each employee subject to the Postal Field
20 Service Schedule shall be assigned to the same numerical
21 step for his position, placed in the next higher salary
22 level, which he had attained immediately prior to such
23 effective date.

24 (2) Each employee subject to the Rural Carrier

1 *Schedule shall be assigned to the same numerical step*
2 *for his position which he had attained immediately prior*
3 *to such effective date.*

4 *(3) If changes in levels or steps would otherwise*
5 *occur on such effective date without regard to enactment*
6 *of this Act, such changes shall be deemed to have*
7 *occurred prior to conversion.*

8 *(4) If the existing basic compensation is greater*
9 *than the rate to which the employee is converted under*
10 *paragraph (1) or (2) of this subsection, the employee*
11 *shall be placed in the lowest step which exceeds his basic*
12 *compensation. If the existing basic compensation exceeds*
13 *the maximum step of his position, his existing basic com-*
14 *penetration increased by 6 per centum, rounded to the*
15 *next highest dollar, shall be established as his basic*
16 *compensation.*

17 *(f) The advancement of any employee to a higher sal-*
18 *ary level of the Postal Field Service Schedule by reason of*
19 *the enactment of this section shall not be deemed to be an*
20 *equivalent increase within the meaning of section 3552(a)*
21 *of title 39, United States Code.*

22 *(g) The basic compensation of each employee subject*
23 *to the Postal Field Service Schedule or the Rural Carrier*
24 *Schedule immediately prior to the effective date of Postal*
25 *Field Service Schedule II shall be determined as follows:*

26 *(1) Each employee shall be assigned to the same*

numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

“3544. Fourth Class Office Schedule.”

and inserting in lieu thereof—

“3544. Compensation of postmasters at fourth-class offices.”.

CONFORMING AMENDMENTS

2 *SEC. 206. (a) Section 3560(a) of title 39, United*
3 *States Code, is amended by striking out “(3) revenue unit*
4 *category, with respect to the Fourth Class Office Schedule.”*
5 *and inserting in lieu thereof “(3) minimum hours of service*
6 *with respect to postmasters in fourth-class post offices.”.*

7 (b) Section 3560(f) of title 39, United States Code,
8 is amended by striking out “(1) reductions in class or reve-
9 nue unit category of any post office, or” and inserting in lieu
10 thereof “(1) reductions in class or revenue units of any post
11 office or in the minimum hours of service for a fourth-class
12 post office, or”.

13 (c) Subsections (b) and (c) of section 3573 of title
14 39, United States Code, are amended by striking out “level
15 PFS-10” and “level PFS-11”, wherever appearing therein,
16 and inserting in lieu thereof “level PFS-11” and “level
17 PFS-12”, respectively. Subsection (g) of section 3573 is
18 amended by striking out “PFS-17” and inserting “PFS-
19 18”.

20 (d) Subsection (a) of section 3575 of title 39, United
21 States Code, is amended by striking out “level PFS-15” and
22 inserting in lieu thereof “level PFS-16”.

(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this Act shall be deemed to refer to the level of the Postal Field Service Schedule in effect on the effective date of this Act.

1 *tive date of this section shall be deemed to refer to the next*
 2 *higher level of the Postal Field Service Schedule.*

3 *SPECIAL SALARY RATE RANGES*

4 *SEC. 207. (a) Section 5303(a) of title 5, United States*
 5 *Code, is amended by striking out "seventh pay rate" and*
 6 *inserting in lieu thereof "maximum pay rate".*

7 *(b) Section 5303(d) of title 5, United States Code,*
 8 *is amended to read as follows:*

9 *"(d) The rate of basic pay established under this sec-*
 10 *tion and received by an individual immediately before a*
 11 *statutory increase, which becomes effective prior to, on, or*
 12 *after the date of enactment of the statute, in the pay sched-*
 13 *ule applicable to such individual of any pay system specified*
 14 *in subsection (a) of this section, shall be initially adjusted,*
 15 *effective on the effective date of the statutory increase,*
 16 *under conversion rules prescribed by the President or by*
 17 *such agency as the President may designate."*

18 *EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND*
 19 *SURGERY OF THE VETERANS' ADMINISTRATION*

20 *SEC. 208. Section 4107 of title 38, United States Code,*
 21 *relating to grades and pay scales for certain positions within*
 22 *the Department of Medicine and Surgery of the Veterans'*
 23 *Administration, is amended to read as follows:*

24 *"§ 4107. Grades and pay scales*

25 *"(a) The per annum full-pay scale or ranges for posi-*

tions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

“Section 4103 Schedule

“Assistant Chief Medical Director, \$27,055.

“Medical Director, \$23,788 minimum to \$26,960 maximum.

“Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

“Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

“Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

“Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

“(b)(1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

“Physician and Dentist Schedule

“Director grade, \$20,982 minimum to \$26,574 maximum.

“Executive grade, \$19,576 minimum to \$25,444 maximum.

“Chief grade, \$18,404 minimum to \$23,921 maximum.

“Senior grade, \$15,841 minimum to \$20,593 maximum.

1 *“Intermediate grade, \$13,507 minimum to \$17,557*
2 *maximum.*

3 *“Full grade, \$11,461 minimum to \$14,899 maximum.*

4 *“Associate grade, \$9,657 minimum to \$12,555 maxi-*
5 *mum.*

6 *“Nurse Schedule*

7 *“Assistant Director grade, \$15,841 minimum to \$20,593*
8 *maximum.*

9 *“Chief grade, \$13,507 minimum to \$17,557 maximum.*

10 *“Senior grade, \$11,461 minimum to \$14,899 maximum.*

11 *“Intermediate grade, \$9,657 minimum to \$12,555 maxi-*
12 *mum.*

13 *“Full grade, \$8,054 minimum to \$10,475 maximum.*

14 *“Associate grade, \$7,033 minimum to \$9,139 maximum.*

15 *“Junior grade, \$6,137 minimum to \$7,982 maximum.*

16 *“(2) No person may hold the director grade unless he*
17 *is serving as a director of a hospital, domiciliary, center, or*
18 *outpatient clinic (independent). No person may hold the*
19 *executive grade unless he holds the position of chief of staff*
20 *at a hospital, center, or outpatient clinic (independent), or*
21 *comparable position.*

22 *“(c) Notwithstanding any other provision of law, the*
23 *per annum salary rate for each individual serving as a di-*
24 *rector of a hospital, domiciliary, or center who is not a physi-*

1 receive basic compensation immediately prior to the effective
 2 date of this section at one of the rates provided by section
 3 412 or 415 of the Foreign Service Act of 1946 shall receive
 4 basic compensation, on and after such effective date, at the
 5 rate of their class determined to be appropriate by the Secre-
 6 tary of State.

7 AGRICULTURAL STABILIZATION AND CONSERVATION

8 COUNTY COMMITTEE EMPLOYEES

9 SEC. 210. The rates of pay of persons employed by the
 10 county committees established pursuant to section 8(b) of
 11 the Soil Conservation and Domestic Allotment Act (16
 12 U.S.C. 590h(b)) shall be increased by amounts equal, as
 13 nearly as may be practicable, to the increases provided by
 14 section 202(a) of this title for corresponding rates of basic
 15 pay.

16 SALARY RATES FIXED BY ADMINISTRATIVE ACTION

17 SEC. 211. (a) The rates of basic pay of United States
 18 attorneys and assistant United States attorneys whose an-
 19 nual salaries are fixed pursuant to section 548 of title 28,
 20 United States Code, shall be increased, effective on the ef-
 21 fective date of section 202 of this title, by amounts equal, as
 22 nearly as may be practicable, to the increases provided by
 23 section 202(a) of this title for corresponding rates of basic
 24 pay.

1 (b) Notwithstanding section 3679 of the Revised
2 Statutes, as amended (31 U.S.C. 665), the rates of pay
3 of officers and employees of the Federal Government and
4 of the municipal government of the District of Columbia
5 whose rates of pay are fixed by administrative action pur-
6 suant to law and are not otherwise increased by this title
7 are hereby authorized to be increased, effective on the ef-
8 fective date of section 202 of this title, by amounts not to
9 exceed the increases provided by this title for correspond-
10 ing rates of pay in the appropriate schedule or scale of pay.

11 (c) Nothing contained in this section shall be held or
12 considered to authorize any increase in the rates of pay of
13 officers and employees whose rates of pay are fixed and
14 adjusted from time to time as nearly as is consistent with
15 the public interest in accordance with prevailing rates or
16 practices.

17 (d) Nothing contained in this section shall affect the
18 authority contained in any law pursuant to which rates of
19 pay may be fixed by administrative action.

20 IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN

21 1968 AND 1969

22 SEC. 212. In order to complete the implementation of
23 the policy of the Congress set forth in paragraph (2) of
24 section 5301 of title 5, United States Code, the President,
25 after seeking the views of such employee organizations as he

1 *considers appropriate and in such manner as he may provide,*
2 *shall—*

3 (1) *effective on the first day of the first pay period*
4 *beginning on or after July 1, 1968, adjust the rates*
5 *of basic pay, basic compensation, and salary, as in effect*
6 *by reason of the enactment of the provisions of this*
7 *title other than this section and sections 205, 210, 213,*
8 *214, 215, and 219—*

9 (A) *by amounts equal, as nearly as may be*
10 *practicable, to one-half of the amounts by which*
11 *such rates are exceeded by rates of pay paid for*
12 *the same levels of work in private enterprise as*
13 *determined on the basis of the 1967 annual survey*
14 *conducted by the Bureau of Labor Statistics in ac-*
15 *cordance with the provisions of section 5302 of*
16 *title 5, United States Code, or*

17 (B) *by 3 per centum,*
18 *whichever is greater; and*

19 (2) *effective on the first day of the first pay period*
20 *beginning on or after July 1, 1969, adjust the rates he*
21 *has established under subparagraph (1) of this section,*
22 *and the rates established by Postal Field Service Sched-*
23 *ule II, and Rural Carrier Schedule II (contained*
24 *in the amendments made by subsections (a) and (b) of*
25 *section 205), by amounts equal, as nearly as may be*

1 *practicable, to the amounts by which such rates are ex-*
2 *ceeded by rates of pay paid for the same levels of work*
3 *in private enterprise as determined on the basis of the*
4 *1968 annual survey conducted by the Bureau of Labor*
5 *Statistics in accordance with the provisions of section*
6 *5302 of title 5, United States Code.*

7 *Adjustments made by the President under this section shall*
8 *have the force and effect of statute. The rates of pay of*
9 *personnel subject to sections 210, 213 (except subsections*
10 *(d) and (e)), and 214 of this title, and any minimum or*
11 *maximum rate, limitation, or allowance applicable to any*
12 *such personnel, shall be adjusted, by amounts which are equal,*
13 *insofar as practicable and with such exceptions as may be*
14 *necessary to provide for appropriate relationships between*
15 *positions, to the amounts of the adjustments made by the*
16 *President under subparagraphs (1) and (2) of this sec-*
17 *tion, by the following authorities—*

18 *(i) the President pro tempore of the Senate, with*
19 *respect to the United States Senate;*

20 *(ii) the Speaker of the House of Representatives,*
21 *with respect to the United States House of Representa-*
22 *tives;*

23 *(iii) the Architect of the Capitol, with respect to*
24 *the Office of the Architect of the Capitol;*

25 *(iv) the Director of the Administrative Office of the*

1 *United States Courts, with respect to the judicial branch*
2 *of the Government; and*

3 *(v) the Secretary of Agriculture, with respect to*
4 *persons employed by the county committees established*
5 *pursuant to section 8(b) of the Soil Conservation and*
6 *Domestic Allotment Act (16 U.S.C. 590h(b)).*

7 *Such adjustments shall be made in such manner as the appro-*
8 *priate authority concerned deems advisable and shall have*
9 *the force and effect of statute. Nothing in this section shall*
10 *impair any authority pursuant to which rates of pay may be*
11 *fixed by administrative action.*

12 *JUDICIAL BRANCH EMPLOYEES*

13 *SEC. 213. (a) The rates of basic compensation of offi-*
14 *cers and employees in or under the judicial branch of the*
15 *Government whose rates of compensation are fixed by or*
16 *pursuant to paragraph (2) of subdivision a of section 62 of*
17 *the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656*
18 *of title 18, United States Code, the third sentence of section*
19 *603, sections 671 to 675, inclusive, or section 604(a)(5),*
20 *of title 28, United States Code, insofar as the latter section*
21 *applies to graded positions, are hereby increased by amounts*
22 *reflecting the respective applicable increases provided by sec-*
23 *tion 202(a) of this title in corresponding rates of compen-*
24 *sation for officers and employees subject to section 5332 of*
25 *title 5, United States Code. The rates of basic compensa-*

1 tion of officers and employees holding ungraded positions and
2 whose salaries are fixed pursuant to such section 604(a)(5)
3 may be increased by the amounts reflecting the respective
4 applicable increases provided by section 202(a) of this title
5 in correspondnig rates of compensation for officers and em-
6 ployees subject to section 5332 of title 5, United States Code.

7 (b) The limitations provided by applicable law on the
8 effective date of this section with respect to the aggregate
9 salaries payable to secretaries and law clerks of circuit and
10 district judges are hereby increased by amounts which re-
11 flect the respective applicable increases provided by section
12 202(a) of this title in corresponding rates of compensation
13 for officers and employees subject to section 5332 of title 5,
14 United States Code.

15 (c) Section 753(e) of title 28, United States Code (re-
16 lating to the compensation of court reporters for district
17 courts), is amended by striking out the existing salary limi-
18 tation contained therein and inserting a new limitation which
19 reflects the respective applicable increases provided by section
20 202(a) of this title in corresponding rates of compensation
21 for officers and employees subject to section 5332 of title 5,
22 United States Code.

23 (d) The first paragraph of section 603 of title 28,
24 United States Code, relating to the compensation of the
25 Director and the Deputy Director of the Administrative

1 *Office of the United States Courts, is amended to read as*
2 *follows:*

3 *“The salary of the Director shall be the same as the*
4 *salary of a district judge. The salary of the Deputy Director*
5 *shall be in the same amount as the annual rate of basic*
6 *pay for positions at level V of the Executive Schedule under*
7 *section 5316 of title 5.”.*

8 *(e) Section 792(b) of title 28, United States Code, is*
9 *amended by striking out “\$26,000” and inserting in lieu*
10 *thereof “\$29,000”.*

11 *LEGISLATIVE BRANCH EMPLOYEES*

12 *SEC. 214. (a) Except as otherwise provided in this title,*
13 *each officer or employee in or under the legislative branch of*
14 *the Government, whose rate of compensation is increased by*
15 *section 5 of the Federal Employees Pay Act of 1946, shall*
16 *be paid additional compensation at the rate of 4.5 per centum*
17 *of his gross rate of compensation (basic compensation plus*
18 *additional compensation authorized by law).*

19 *(b) The total annual compensation in effect immedi-*
20 *ately prior to the effective date of this section of each officer*
21 *or employee of the House of Representatives, whose com-*
22 *penetration is disbursed by the Clerk of the House of Repre-*
23 *sentatives and is not increased by reason of any other pro-*
24 *vision of this section, shall be increased by 4.5 per centum.*

25 *(c) The rates of compensation of employees of the*

1 *House of Representatives whose compensation is fixed by*
2 *the House Employees Schedule under the House Employees*
3 *Position Classification Act (78 Stat. 1079–1084; Public*
4 *Law 88–652; 2 U.S.C. 291–303), including each employee*
5 *subject to such Act whose compensation is fixed at a saved*
6 *rate, are hereby increased by amounts equal, as nearly as*
7 *may be practicable, to the increases provided by subsection*
8 *(a) of this section.*

9 *(d) Except as provided in the last sentence of section*
10 *218(a) of this title, the additional compensation provided by*
11 *this section shall be considered a part of basic pay for the*
12 *purposes of subchapter III of chapter 83 of title 5, United*
13 *States Code, relating to civil service retirement.*

14 *(e) The per annum rate of compensation of the Chief*
15 *of Staff of the Joint Committee on Internal Revenue Taxa-*
16 *tion shall be the same as the per annum rate of compensation*
17 *of the Legislative Counsel of the House of Representatives.*

18 *(f) This section shall not apply with respect to the*
19 *compensation of student congressional interns and the com-*
20 *pen-sation of employees whose compensation is fixed by the*
21 *House Wage Schedule under the House Employees Position*
22 *Classification Act.*

23 *(g) The annual rate of gross compensation of each officer*
24 *or employee whose compensation is disbursed by the Secre-*
25 *tary of the Senate, and the annual rate of gross compensa-*

1 *tion of each telephone operator on the United States Capitol*
2 *telephone exchange and each member of the Capitol Police*
3 *whose compensation is disbursed by the Clerk of the House*
4 *of Representatives, (1) is increased by 4.5 per centum, and*
5 *(2) as so increased shall be adjusted, effective the first day*
6 *of the month following the date of enactment of this Act,*
7 *to the nearest multiple of \$188.*

8 *(h) In any case in which the rate of compensation of*
9 *any officer, employee, or position, or class of officers, em-*
10 *ployees, or positions, the compensation for which is disbursed*
11 *by the Secretary of the Senate, or any minimum or maxi-*
12 *mum rate with respect to such officer, employee, position, or*
13 *class is referred to in or provided by statute or Senate resolu-*
14 *tion, such statutory provision or resolution shall be deemed*
15 *to refer to the rate which an officer or employee subject to*
16 *the provisions of subsection (g) receiving such rate immedi-*
17 *ately prior to the effective date of such subsection would be*
18 *entitled (without regard to such statutory provision) to*
19 *receive on and after such date. As used in this subsection*
20 *and subsection (g), the term "officer" does not include a*
21 *Senator.*

22 *(i) The annual rate of gross compensation of each*
23 *employee in the office of a Senator shall be adjusted, effec-*
24 *tive on the first day of the month following the date of enact-*

1 ment of this Act, to the lowest multiple of \$188 which is not
2 lower than the rate such employee was receiving immediately
3 prior thereto, except that the foregoing provisions of this
4 subsection shall not apply in the case of any employee if on
5 or before the fifteenth day following the date of enactment of
6 this Act, the Senator by whom such employee is employed
7 notifies the disbursing office of the Senate in writing that he
8 does not wish such provisions to apply to such employee.
9 No employee whose rate of compensation is adjusted under
10 this subsection shall receive an increase under subsection
11 (g) for any period prior to the effective date of such ad-
12 justment during which such employee was employed in the
13 office of the Senator by whom he is employed on the first
14 day of the month following the enactment of this Act. No
15 increase shall be paid to any person under subsection (g)
16 for any period prior to the first day of the month following
17 the date of enactment of this Act during which such person
18 was employed in the office of a Senator (other than the Sen-
19 ator by whom he is employed on such day) unless on or
20 before the fifteenth day following the date of enactment of
21 this Act such Senator notifies the disbursing office of the
22 Senate in writing that he wishes such employee to receive
23 such additional compensation for such period. In any case
24 in which, at the expiration of the time within which a Sen-

1 ator may give notice under this subsection, such Senator is
 2 deceased, such notice shall be deemed to have been given.
 3 An increase under this subsection in the compensation of an
 4 employee in the office of a Senator for any period prior to
 5 the first day of the month following the date of enactment of
 6 this Act shall be made without regard to the clerk hire
 7 allowance of such Senator.

8 (j) Section 105(a)(1) of the Legislative Branch Ap-
 9 propriation Act, 1968, is amended by striking out "\$180"
 10 and inserting in lieu thereof "\$188".

11 (k) Section 105(d)(1) of such Act is amended by
 12 striking out the table and inserting in lieu thereof the
 13 following:

14 "\$199,280 if the population of his State is less than
 15 3,000,000;

16 "\$212,440 if such population is 3,000,000 but less
 17 than 4,000,000;

18 "\$223,720 if such population is 4,000,000 but less
 19 than 5,000,000;

20 "\$234,060 if such population is 5,000,000 but less
 21 than 7,000,000;

22 "\$245,340 if such population is 7,000,000 but less
 23 than 9,000,000;

1 “\$258,500 if such population is 9,000,000 but less
2 than 10,000,000;

3 “\$271,660 if such population is 10,000,000 but less
4 than 11,000,000;

5 “\$284,820 if such population is 11,000,000 but less
6 than 12,000,000;

7 “\$297,980 if such population is 12,000,000 but less
8 than 13,000,000;

9 “\$311,140 if such population is 13,000,000 but less
10 than 15,000,000;

11 “\$324,300 if such population is 15,000,000 but less
12 than 17,000,000;

13 “\$338,400 if such population is 17,000,000 or
14 more.”

15 (l) Section 105 of such Act is amended by striking
16 out “\$1,080”, “\$6,120”, “\$10,620”, “\$10,800”, “\$14,220”,
17 “\$14,400”, “\$15,660”, “\$15,840”, “\$18,180”, “\$22,320”,
18 “\$23,400”, and “\$24,480” wherever they appear in such
19 section and inserting in lieu thereof “\$1,128”, “\$6,392”,
20 “\$11,092”, “\$11,280”, “\$14,852”, “\$15,040”, “\$16,356”,
21 “\$16,544”, “\$18,988”, “\$23,312”, “\$24,440”, and
22 “\$25,568”, respectively.

23 (m) The limitation on gross rate per hour per person
24 provided by applicable law on the effective date of this section
25 with respect to the folding of speeches and pamphlets for the

1 *Senate is hereby increased by 4.5 per centum. The amount*
 2 *of such increase shall be computed to the nearest cent, count-*
 3 *ing one-half cent and over as a whole cent. The provisions*
 4 *of subsection (g) shall not apply to employees whose com-*
 5 *pensation is subject to such limitation, or to employees*
 6 *referred to in the last proviso in the second paragraph under*
 7 *the heading "SENATE" in the Second Deficiency Appro-*
 8 *priation Act, 1948.*

9 *(n) The first sentence of section 106(b) of the Legis-*
 10 *lative Branch Appropriation Act, 1963, as amended (2*
 11 *U.S.C. 60j), is amended by striking out "\$540" and insert-*
 12 *ing in lieu thereof "\$564".*

13 *(o) Section 5533(c) of title 5, United States Code, is*
 14 *amended to read as follows:*

15 *"(c)(1) Unless otherwise authorized by law, appro-*
 16 *priated funds are not available for payment to an individual*
 17 *of pay from more than one position if the aggregate gross pay*
 18 *from the positions exceeds \$6,256 a year, and if—*

19 *"(A) the pay of one of the positions is paid by the*
 20 *Secretary of the Senate or the Clerk of the House of*
 21 *Representatives; or*

22 *"(B) one of the positions is under the Office of the*
 23 *Architect of the Capitol.*

24 *"(2) For the purpose of this subsection, 'gross pay'*
 25 *means the annual rate of pay (or equivalent thereof in the*

1 case of an individual paid on other than an annual basis)
 2 received by an individual, and, in the case of an individual
 3 receiving basic pay plus additional compensation provided
 4 by law, includes the aggregate amount received as basic and
 5 additional compensation, but does not include sums received
 6 as premium pay under subchapter V of this chapter.”.

7 INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V
 8 OF EXECUTIVE SCHEDULE

9 SEC. 215. (a) Section 5314 of title 5, United States
 10 Code, relating to the basic pay rate for level III of the
 11 Executive Schedule, is amended by striking out “\$28,500”
 12 and inserting in lieu thereof “\$29,500”.

13 (b) Section 5315 of title 5, United States Code, relating
 14 to the basic pay rate for level IV of the Executive Schedule,
 15 is amended by striking out “\$27,000” and inserting in lieu
 16 thereof “\$28,750”.

17 (c) Section 5316 of title 5, United States Code, relating
 18 to the basic pay rate for level V of the Executive Schedule,
 19 is amended by striking out “\$26,000” and inserting in lieu
 20 thereof “\$28,000”.

21 SALARY INCREASE LIMITATIONS

22 SEC. 216. Except as provided in sections 213 (d) and
 23 (e), 214 (a) through (f), 215, and 219, no rate of com-
 24 pensation shall be increased, by reason of the enactment of
 25 this title, to an amount in excess of the salary rate now or

1 *hereafter in effect for level V of the Executive Schedule in*
 2 *section 5316 of title 5, United States Code.*

3 *UNCONTROLLABLE OVERTIME DUTY*

4 *SEC. 217. Section 5545(c)(2) of title 5, United States*
 5 *Code, is amended by striking out "15" and inserting in lieu*
 6 *thereof "25".*

7 *PAYMENT OF RETROACTIVE COMPENSATION*

8 *SEC. 218. (a) Retroactive pay, compensation, or salary*
 9 *shall be paid by reason of this title only in the case of an*
 10 *individual in the service of the United States (including*
 11 *service in the Armed Forces of the United States) or the*
 12 *municipal government of the District of Columbia on the*
 13 *date of enactment of this title, except that such retroactive*
 14 *pay, compensation, or salary shall be paid—*

15 *(1) to an officer or employee who retired, during*
 16 *the period beginning on the first day of the first pay*
 17 *period which began on or after October 1, 1967, and*
 18 *ending on the date of enactment of this title, for services*
 19 *rendered during such period, and*

20 *(2) in accordance with subchapter VIII of chapter*
 21 *55 of title 5, United States Code, relating to settlement*
 22 *of accounts, for services rendered, during the period*
 23 *beginning on the first day of the first pay period which*
 24 *began on or after October 1, 1967, and ending on the*

1 *date of enactment of this title, by an officer or employee*
2 *who died during such period.*

3 *Such retroactive pay, compensation, or salary shall not be*
4 *considered as basic pay for the purposes of subchapter III of*
5 *chapter 83 of title 5, United States Code, relating to civil*
6 *service retirement, or any other retirement law or retirement*
7 *system, in the case of any such retired or deceased officer or*
8 *employee.*

9 *(b) For the purposes of this section, service in the*
10 *Armed Forces of the United States, in the case of an individ-*
11 *ual relieved from training and service in the Armed Forces*
12 *of the United States or discharged from hospitalization fol-*
13 *lowing such training and service, shall include the period*
14 *provided by law for the mandatory restoration of such in-*
15 *dividual to a position in or under the Federal Government*
16 *or the municipal government of the District of Columbia.*

17 *SALARIES OF LEGISLATIVE OFFICIALS*

18 *SEC. 219. (a) Section 203 of the Federal Legislative*
19 *Salary Act of 1964 (78 Stat. 415) is amended as follows:*

20 *(1) in subsection (c), by striking out “\$27,000”*
21 *and inserting in lieu thereof “\$28,000”;*

22 *(2) in subsection (d), by striking out “\$25,500”*
23 *and inserting in lieu thereof “\$27,250”; and*

24 *(3) in subsection (e), by striking out “\$23,500”*
25 *and inserting in lieu thereof “\$25,000”.*

(b) Notwithstanding any other provision of law, no officer or employee of the General Accounting Office, the Library of Congress, the Government Printing Office, or the Office of the Architect of the Capitol, whose pay is fixed in accordance with the General Schedule under section 5332 of title 5, United States Code, shall be paid at an annual rate in excess of \$27,055 by reason of the operation of section 212 of this Act.

EFFECTIVE DATES

SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 218, 221, and 224 (a) and (b) shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

1 **(b)** *For the purposes of determining the amount of in-*
 2 *surance for which an individual is eligible under chapter 87*
 3 *of title 5, United States Code, relating to group life insur-*
 4 *ance for Federal employees—*

5 **(1)** *all changes in rates of pay which result from*
 6 *the enactment of this title (except Postal Field Service*
 7 *Schedule II, Rural Carrier Schedule II, and sections*
 8 *207, 212, 213 (d) and (e), 215, and 219) shall be*
 9 *held and considered to become effective as of the date of*
 10 *such enactment; and*

11 **(2)** *all changes in rates of pay which result from*
 12 *the enactment of section 212 of this title and which take*
 13 *effect retroactively from the date on which the adjust-*
 14 *ments thereof are actually ordered under such section,*
 15 *shall be held and considered to become effective on the*
 16 *date on which such adjustments are actually ordered.*

17 **EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS**

18 **SEC. 221.** *(a) Chapter 31 of title 5, United States*
 19 *Code, is amended by adding at the end thereof the following*
 20 *new section:*

21 **“§ 3110. Employment of relatives; restrictions**

22 **“(a)** *For the purpose of this section—*

23 **“(1)** *‘agency’ means—*

24 **“(A)** *an Executive agency;*

1 “(B) an office, agency, or other establishment
2 in the legislative branch;

3 “(C) an office, agency, or other establishment
4 in the judicial branch; and

5 “(D) the government of the District of Colum-
6 bia;

7 “(2) ‘public official’ means an officer (including the
8 President and a Member of Congress), a member of the
9 uniformed service, an employee and any other individual,
10 in whom is vested the authority by law, rule, or regula-
11 tion, or to whom the authority has been delegated, to
12 appoint, employ, promote, or advance individuals, or to
13 recommend individuals for appointment, employment,
14 promotion, or advancement, in connection with employ-
15 ment in an agency; and

16 “(3) ‘relative’ means, with respect to a public
17 official, an individual who is related to the public official
18 as father, mother, son, daughter, brother, sister, uncle,
19 aunt, first cousin, nephew, niece, husband, wife, father-
20 in-law, mother-in-law, son-in-law, daughter-in-law,
21 brother-in-law, sister-in-law, stepfather, stepmother, step-
22 son, stepdaughter, stepbrother, stepsister, half brother, or
23 half sister.

1 “(b) A public official may not appoint, employ, promote,
2 advance, or advocate for appointment, employment, promo-
3 tion, or advancement, in or to a civilian position in the agency
4 in which he is serving or over which he exercises jurisdiction
5 or control any individual who is a relative of the public
6 official. An individual may not be appointed, employed, pro-
7 moted, or advanced in or to a civilian position in an agency
8 if such appointment, employment, promotion, or advancement
9 has been advocated by a public official, serving in or exercis-
10 ing jurisdiction or control over the agency, who is a relative
11 of the individual.

12 “(c) An individual appointed, employed, promoted, or
13 advanced in violation of this section is not entitled to pay, and
14 money may not be paid from the Treasury as pay to an indi-
15 vidual so appointed, employed, promoted, or advanced.

16 “(d) The Civil Service Commission may prescribe regu-
17 lations authorizing the temporary employment, in the event
18 of emergencies resulting from natural disasters or similar un-
19 foreseen events or circumstances, of individuals whose employ-
20 ment would otherwise be prohibited by this section.

21 “(e) This section shall not be construed to prohibit the
22 appointment of an individual who is a preference eligible in
23 any case in which the passing over of that individual on a
24 certificate of eligibles furnished under section 3317(a) of

1 *this title will result in the selection for appointment of an in-*
2 *dividual who is not a preference eligible."*

3 *(b) The analysis of chapter 31 of title 5, United States*
4 *Code, is amended by adding the following new item at the*
5 *end thereof:*

"3110. Employment of relatives; restrictions."

6 *(c) The amendments made by this section do not apply*
7 *to an appointment, employment, advancement, or promotion*
8 *made or advocated by a public official of any individual who*
9 *is a relative of the public official if, prior to the effective date*
10 *of this section, the individual was appointed by the public*
11 *official, or received an appointment advocated by the public*
12 *official, and is serving under the appointment on such effec-*
13 *tive date.*

14 *TRAVEL STATUS*

15 *SEC. 222. (a) Section 5542(b)(2)(B) of title 5,*
16 *United States Code, is amended to read as follows:*

17 *"(B) the travel (i) involves the performance of*
18 *work while traveling, (ii) is incident to travel that in-*
19 *volves the performance of work while traveling, (iii)*
20 *is carried out under arduous conditions, or (iv) results*
21 *from an event which could not be scheduled or con-*
22 *trolled administratively."*

23 *(b) Section 3571 of title 39, United States Code, is*

1 amended by adding at the end thereof a new subsection as
2 follows:

3 “(e) Time spent in a travel status away from the
4 official duty station of an employee is not hours of work
5 unless the travel (i) involves the performance of work while
6 traveling, (ii) is incident to travel that involves the per-
7 formance of work while traveling, (iii) is carried out under
8 arduous conditions, or (iv) results from an event which
9 could not be scheduled or controlled administratively.”.

10 (c) Subchapter II of chapter 57 of title 5, United
11 States Code, is amended—

12 (1) by adding at the end thereof the following
13 new section:

14 “§ 5733. *Expeditious travel*

15 “The travel of an employee shall be by the most ex-
16 peditious means of transportation practicable and shall be
17 commensurate with the nature and purpose of the duties of
18 the employee requiring such travel.”; and

19 (2) by inserting after item 5732 in the analysis of
20 such subchapter the following new item:

“5733. *Expeditious travel*.”.

21 (d) Section 5544(a) of title 5, United States Code,
22 is amended by inserting immediately at the end thereof the
23 following new sentence: “Time spent in a travel status away
24 from the official duty station of an employee subject to this
25 subsection is not hours of work unless the travel (i) involves

1 *the performance of work while traveling, (ii) is incident to*
 2 *travel that involves the performance of work while travel-*
 3 *ing (iii) is carried out under arduous conditions, or (iv)*
 4 *results from an event which could not be scheduled or con-*
 5 *trolled administratively.”.*

6 *APPEALS FROM POSITION CLASSIFICATIONS OF WAGE*
 7 *BOARD EMPLOYEES*

8 *SEC. 223. (a) Subchapter IV of chapter 53 of title 5,*
 9 *United States Code, is amended by adding at the end thereof*
 10 *the following new section:*

11 *“§ 5345. Position classification appeals*

12 *On application, made in accordance with regulations pre-*
 13 *scribed by the Civil Service Commission, by an employee*
 14 *subject to section 5341(a) of this title for the review of the*
 15 *action of an employing agency in classifying his position for*
 16 *pay purposes, the Commission shall—*

17 *“(1) ascertain currently the facts as to the duties,*
 18 *responsibilities, and qualification requirements of the*
 19 *position;*

20 *“(2) decide whether the position has been properly*
 21 *classified; and*

22 *“(3) approve, disapprove, or modify, in accordance*
 23 *with its decision, the action of the employing agency in*
 24 *classifying the position.*

25 *The Commission shall certify to the agency concerned its*

1 action under paragraph (3) of this section. The agency
 2 shall act in accordance with the certificate, and the certificate
 3 is binding on all administrative, certifying, payroll, disburs-
 4 ing, and accounting officials.”.

5 (b) The analysis of chapter 53 is amended by insert-
 6 ing the following new item after item 5344:

“5345. Position classification appeals.”.

7 MISCELLANEOUS PROVISIONS

8 SEC. 224. (a) Section 4101(2)(B) of title 5, United
 9 States Code, is amended by striking out “Coast and Geodetic
 10 Survey” and inserting in lieu thereof “Environmental Science
 11 Services Administration”.

12 (b)(1) Section 8339(e)(2) of title 5, United States
 13 Code, is amended to read as follows:

14 “(2) the greater of—

15 “(A) the final basic pay of the Member; or

16 “(B) the final basic pay of the appointive posi-
 17 tion of a former Member who elects to have his an-
 18 nuity computed or recomputed under section 8344

19 (b)(1) of this title.”.

20 (2) Section 8348(g) of title 5, United States Code,
 21 shall not apply to benefits resulting from the amendment
 22 made by this subsection.

23 (c) Section 1(b) of the Act of August 25, 1958 (72
 24 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by
 25 striking out “\$65,000” and inserting in lieu thereof

1 “\$80,000”, and by striking out the fourth sentence therein
2 and inserting in lieu thereof the following: “The annual rate
3 of compensation payable to any such person shall not exceed
4 the highest annual rate of basic pay now or hereafter provided
5 by law for positions at level II of the Executive Schedule
6 under section 5313 of title 5, United States Code.”.

7 **TITLE III—PROHIBITION OF PANDERING**
8 **ADVERTISEMENTS**

9 **SEC. 301.** (a) Chapter 51 of title 39, United States
10 Code, is amended by adding at the end of such chapter the
11 following new section:

12 “§ 4009. Prohibition of pandering advertisements in the
13 mails

14 “(a) Whoever for himself, or by his agents or assigns,
15 mails or causes to be mailed any pandering advertisement
16 which offers for sale matter which the addressee in his sole
17 discretion believes to be erotically arousing or sexually pro-
18 vocative shall be subject to an order of the Postmaster Gen-
19 eral to refrain from further mailings of such materials to
20 designated addressees thereof.

21 “(b) Upon receipt of notice from an addressee that he
22 has received such mail matter, determined by the addressee
23 in his sole discretion to be of the character described in sub-
24 section (a) of this section, the Postmaster General shall issue
25 an order, if requested by the addressee, to the sender thereof,

1 *directing the sender and his agents or assigns to refrain from*
2 *further mailings to the named addressees.*

3 “(c) *The order of the Postmaster General shall ex-*
4 *pressly prohibit the sender and his agents or assigns from*
5 *making any further mailings to the designated addressees,*
6 *effective on the thirtieth calendar day after receipt of the*
7 *order. The order of the Postmaster General shall also direct*
8 *the sender and his agents or assigns to delete immediately*
9 *the names of the designated addressees from all mailing lists*
10 *owned or controlled by the sender or his agents or assigns*
11 *and, further, shall prohibit the sender and his agents or*
12 *assigns from the sale, rental, exchange, or other transaction*
13 *involving mailing lists bearing the names of the designated*
14 *addressees.*

15 “(d) *Whenever the Postmaster General believes that*
16 *the sender or anyone acting on his behalf has violated or is*
17 *violating the order given under this section, he shall serve*
18 *upon the sender, by registered or certified mail, a complaint*
19 *stating the reasons for his belief and request that any re-*
20 *sponse thereto be filed in writing with the Postmaster Gen-*
21 *eral within fifteen days after the date of such service. If the*
22 *Postmaster General, after appropriate hearing if requested*
23 *by the sender, and without a hearing if such a hearing is*
24 *not requested, thereafter determines that the order given has*
25 *been or is being violated, he is authorized to request the At-*
26 *torney General to make application, and the Attorney Gen-*

1 eral is authorized to make application, to a district court of
2 the United States for an order directing compliance with such
3 notice.

4 “(e) Any district court of the United States within the
5 jurisdiction of which any mail matter shall have been sent
6 or received in violation of the order provided for by this
7 section shall have jurisdiction, upon application by the At-
8 torney General, to issue an order commanding compliance
9 with such notice. Failure to observe such order may be
10 punished by the court as contempt thereof.

11 “(f) Receipt of mail matter thirty days or more after
12 the effective date of the order provided for by this section
13 shall create a rebuttable presumption that such mail was
14 sent after such effective date.

15 “(g) Upon request of any addressee, the order of the
16 Postmaster General shall include the names of any of his
17 minor children who have not attained their nineteenth birth-
18 day, and who reside with the addressee.

19 “(h) The provisions of subchapter II of chapter 5 (re-
20 lating to administrative procedure) and chapter 7 (relating
21 to judicial review) of part I of title 5, United States Code,
22 shall not apply to any provisions of this section.

23 “(i) For the purposes of this section—

24 “(1) mail matter, directed to a specific address
25 covered in the order of the Postmaster General, without

1 designation of a specific addressee thereon, shall be con-
 2 sidered as addressed to the person named in the Post-
 3 master General's order; and

4 “(2) the term ‘children’ includes natural children,
 5 stepchildren, adopted children, and children who are
 6 wards of or in custody of the addressee or who are living
 7 with such addressee in a regular parent-child relation-
 8 ship.”.

9 (b) The table of contents of chapter 51 of title 39,
 10 United States Code, is amended by adding at the end
 11 thereof—

“4009. Prohibition of pandering advertisements in the mails.”.

12 SEC. 302. The provisions of this title shall become effec-
 13 tive on the one hundred and twentieth day after the date of
 14 enactment of this Act.

15 TITLE IV—FEDERAL EMPLOYEES LIFE 16 INSURANCE

17 SEC. 401. Section 8704(a) of title 5, United States
 18 Code, is amended to read as follows:

19 “(a) An employee eligible for insurance is entitled to be
 20 insured for an amount of group life insurance, plus an equal
 21 amount of group accidental death and dismemberment insur-
 22 ance, in accordance with the following schedule, which sched-
 23 ule shall be automatically extended correspondingly by the
 24 amounts of increases in the annual rate of basic pay for

positions at level II of the Executive Schedule under section 5313 of this title:

If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,100	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000".

SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

“§ 8707. Employee deductions; withholding

“During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of $66\frac{2}{3}$ percent of the level cost of each \$1,000 of insurance, as determined by the Commission.”.

SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

“(a) For each period in which an employee is insured

1 *under a policy of insurance purchased by the Civil Service*
2 *Commission under section 8709 of this title, a sum equal to*
3 *one-half the amount which is withheld from the pay of the*
4 *employee under section 8707 of this title shall be contributed*
5 *from the appropriation or fund which is used to pay him.”.*

6 *SEC. 404. Chapter 87 of title 5, United States Code,*
7 *is amended—*

8 *(1) by adding the following new section:*

9 *“§ 8714a. Optional insurance*

10 *“(a) Under the conditions, directives, and terms specified*
11 *in sections 8709–8712 of this title, the Civil Service Com-*
12 *mission, without regard to section 5 of title 41, may purchase*
13 *a policy of optional insurance, which shall make available*
14 *to each insured employee optional insurance in addition to*
15 *the amounts shown in section 8704(a) of this title.*

16 *“(b) The optional insurance shall be made available in*
17 *amounts approved by the Commission, not to exceed \$10,000*
18 *of optional life insurance plus an equal amount of optional*
19 *accidental death and dismemberment insurance, and under*
20 *such conditions as the Commission shall prescribe.*

21 *“(c) (1) The optional insurance on an employee stops*
22 *on his separation from service, 12 months after discontinuance*
23 *of his pay, or on his entry on active duty or active duty for*
24 *training, as provided in sections 8706(a) and 8706(d) of*
25 *this title.*

1 “(2) So much of the optional life insurance in force
2 on an employee on the date he retires on an immediate
3 annuity or becomes entitled to receive compensation for work
4 injuries which has been in force for not less than—

5 “(A) the full period or periods of service during
6 which the optional insurance was available to him; or

7 “(B) the 12 years of service immediately preceding
8 his retirement or beginning date of entitlement to com-
9 pensation for work injuries and during which the
10 optional insurance was available to him;
11 whichever is shorter, may be continued—

12 “(A) after retirement, under the same conditions
13 (except with respect to cost but including reduction of
14 the amount continued) as provided in section 8706(b)
15 of this title; or

16 “(B) while in receipt of compensation for work in-
17 juries under the same conditions (except with respect
18 to cost) as provided in section 8706(c) of this title.

19 “(d) During each period in which an employee has
20 the optional insurance the full cost thereof shall be withheld
21 from his pay. During each period in which an employee
22 continues optional life insurance after retirement or while in
23 receipt of compensation for work injuries, as provided in
24 section 8706(b) or 8706(c) of this title, the full cost thereof
25 shall be withheld from his annuity or compensation, except

1 that, at the end of the calendar month in which he becomes
 2 65 years of age, the optional life insurance shall be without
 3 cost to him. Amounts so withheld shall be deposited, used, and
 4 invested as provided in section 8714 of this title and shall be
 5 reported and accounted for separately from amounts withheld
 6 and contributed under sections 8707 and 8708 of this title.

7 “(e) The cost of the optional insurance shall be deter-
 8 mined from time to time by the Commission on the basis of
 9 such age groups as it considers appropriate.

10 “(f) The amount of optional life, or life and accidental
 11 death, insurance in force on an employee at the date of his
 12 death shall be paid as provided in section 8705 of this title.”;
 13 and

14 (2) by inserting in the analysis of such chapter
 15 the following new item after item 8714:

“8714a. *Optional insurance.*”.

16 SEC. 405. (a) The amendments made by sections 401-
 17 403 of this Act shall take effect on the first day of the first
 18 pay period which begins on or after the sixtieth day follow-
 19 ing the date of enactment and shall have no effect in the
 20 case of an employee who died, was finally separated, or re-
 21 tired prior to the date of enactment. In the case of an em-
 22 ployee who dies or retires during the period beginning on
 23 the date of enactment of this Act and prior to the effective
 24 date of the amendments made by sections 401-403 of this

1 *Act, the amount of insurance shall be determined as if the*
2 *amendments made by section 401 were in effect for such*
3 *employee during such period.*

4 *(b) The amendments made by section 404 of this Act*
5 *shall take effect on the first day of the first pay period which*
6 *begins on or after the one hundred and eightieth day following*
7 *the date of enactment or on any earlier date which is at least*
8 *sixty days after the date of enactment that the Civil Service*
9 *Commission may prescribe and shall have no effect in the*
10 *case of an employee who died, was finally separated, or re-*
11 *tired prior to such effective date.*

12 *SEC. 406. The Employees Life Insurance Fund is avail-*
13 *able without limitation for expenses incurred by the Civil*
14 *Service Commission in carrying out section 404 of this*
15 *Act.*

Passed the House of Representatives October 11, 1967.

Attest:

W. PAT JENNINGS,

Clerk.

90TH CONGRESS
1ST SESSION

H. R. 7977

[Report No. 801]

AN ACT

To adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

OCTOBER 16, 1967

Read twice and referred to the Committee on Post
Office and Civil Service

NOVEMBER 21, 1967

Reported with an amendment

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued November 29, 1967
For actions of November 28, 1967
90th-1st; No. 193

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HIGHLIGHTS: Both Houses passed continuing appropriation resolution. Senate committee reported foreign aid appropriation bill. Senate passed meat inspection bill. Senate began debate on pay bill.

SENATE

1. MEAT INSPECTION. Passed, 89-2, with amendment H. R. 12144, the meat inspection bill. The language of S. 2147 was substituted for the House-passed bill, and S. 2147 was indefinitely postponed (pp. S17238-45, S17247-9, S17264-5). See Digest No. 192 for the provisions of this bill.
2. PAY BILL. Began debate on H. R. 7977, the Federal pay raise bill, and agreed to vote on passage on Nov. 29. pp. S17249-64, S17277-84, S17291-302

3. APPROPRIATIONS. Both Houses passed H. J. Res. 936, to make continuing appropriations until Dec. 2, 1967, for those agencies whose regular appropriation bills have yet to be enacted (pp. S17270-1, H15893-6). This bill will now be sent to the President.
The Appropriations Committee reported with amendments H. R. 13893, the foreign aid appropriation bill (S. Rept. 807) (p. S17193). The Daily Digest states that the bill would appropriate \$3.302 billion, an increase of \$527 million over the House-passed figure of \$2.775 billion (p. D1073).
4. WATERSHEDS. Agreed to House amendments to S. 2514, to grant Congressional consent to the Wheeling Creek Watershed Protection and Flood Prevention District Compact in W. Va. (pp. S17186-8). This bill will now be sent to the President.
5. HOUSING. The Banking and Currency Committee reported an original bill S. 2700, to assist in the provision of housing for low and moderate income families, and to extend and amend laws relating to housing and urban development (S. Rept. 809). p. S17193
6. CREDIT UNIONS. Agreed to House amendment to S. 1085, to amend the Federal Credit Union Act to modernize the loan, investment, dividend, and reserve provisions (p. S17291). This bill will now be sent to the President.
7. RURAL DEVELOPMENT. Sen. McGovern and Rep. Purcell inserted a speech by Under Secretary Schnittker in which he emphasized "the interdependence of town and country and the strong need for local initiative and responsibility in the development of rural communities to reverse the migration from the farm to the cities." pp. S17221-3, H15962-4
Sen. Mundt inserted an article, "Back-To-Land Plan Urged by Senator Randolph to Reverse Rural Exodus," in support of S. J. Res. 64, to establish a commission to promote balanced economic development. p. S17216
8. POVERTY. Sen. Moss inserted a letter from the Governor of Utah in support of the anti-poverty program. p. S17223
Sen. Hart urged the enactment of appropriations for the poverty program as quickly as possible, and criticized Congress for allowing the employees of this program to receive short paychecks. pp. S17265-70
9. WAR ON HUNGER. Sen. McGovern stated, "The war against hunger cannot be won unless the productive capacity of the less developed nations is put to its best use," and inserted an article on this subject. pp. S17228-30
10. FOREIGN TRADE. Sen. Kennedy, N. Y., inserted several articles in opposition to efforts to impose import quotas. pp. S17212-5
11. AWARD. Sen. Thurmond congratulated SCS Administrator Williams on his receipt of the 1967 Rockefeller Public Service Award in the field of administration. p. S17237
12. CIGARETTES. Sen. Magnuson inserted the FTC report of tar and nicotine content of various cigarette brands. pp. S17273-4

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. Pursuant to the unanimous-consent agreement entered yesterday, the Committee on Agriculture and Forestry is discharged from further consideration of H.R. 12144. The Senate, under the agreement, will now proceed to the consideration of H.R. 12144, which the clerk will state.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 12144) to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes.

Mr. MONTROYA. Mr. President, I move to strike out all after the enacting clause and substitute the language of S. 2147, as amended, therefor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to, and the Senate proceeded to consider the House bill.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. MONTROYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I rise in support of the bill now before us. There can be no question of the value of proper and effective inspection of all meats that are to be sold to the public for human consumption.

Just the other day I read of some 70 persons in a South American country who were killed by food poisoning because a pesticide had accidentally fallen onto flour that was used for bread.

The same sort of massive outbreak of food poisoning, sickness, disease, and death could occur in this country whenever sick or diseased animals are permitted to be slaughtered and then sold for food.

Federal officials now inspect all meat which is shipped across State lines. This accounts for about three-quarters of all the meat sold in the United States.

However, the other 25 percent is not inspected by Federal authorities. And, in seven States it is not inspected by State authorities. Twelve other States, as the Senate report on this bill points out, have

only voluntary inspection laws. And, we are informed by the Department of Agriculture, that no State has an adequate enforcement program.

The bill now before us will aid those States which do have meat inspection laws to more speedily and effectively carry out their statutes. The bill will also encourage those States which do not have such laws to pass them as speedily as possible.

Further, the provisions of this bill will give the various States up to 3 years to bring their laws and inspection standards up to those set by the Federal Government. I feel this is a fair compromise.

To require immediate compliance with all Federal standards would impose an enormous burden on the meatpacking industry; and

It would work an extreme hardship on those packing plants whose owners would be more than willing to bring their operations into line with the new laws if only they were given sufficient time to do so.

So, this bill allows them 2 years to comply. Yet, I feel, it does not compromise the public's need to be assured that meat products bought are pure and safe and wholesome.

For it provides Federal inspectors the authority to inspect and regulate those plants which ship food that is clearly dangerous to the public.

I would like to add that I am proud that my State of West Virginia is one of the 29 States which have been far-sighted enough to enact legislation calling for the mandatory inspection of meat. In matters of this nature, we can never be too careful.

In conclusion, I wish to commend the Senator from New Mexico [Mr. MONTROYA] and the Senator from Minnesota [Mr. MONDALE] on the good work they have performed and the excellent leadership they have demonstrated in bring this important bill to the floor. I thank them for a job well done.

Mr. BREWSTER. Mr. President, as an original cosponsor of Senator MONTROYA's bill, S. 2147, I wish to voice my support for the bill as amended by the Senate Committee on Agriculture and Forestry. This measure not only insures the States' right to act, but encourages their action. In addition, it authorizes the Federal Government to financially participate in State meat inspection programs.

It is shocking that seven States, including my home State of Maryland, have no statewide meat inspection laws. This fact was pointed up when Joseph Anastasi, president of the Maryland Junior Chamber of Commerce, testified before the House Subcommittee on Livestock and Feed Grains. He pointed out that only 26 out of 175 meatpacking and processing plants in Maryland were under Federal inspection. He went on to report that approximately 32 percent of the animals slaughtered in Maryland for human consumption were slaughtered by plants that did not operate under Federal inspection.

The Legislative Council of Maryland's General Assembly recently considered a State meat inspection program which

it will recommend to the legislature for action next January. This undoubtedly represents a positive forward step.

The legislation we are considering here today would authorize the Federal Government to financially assist Maryland, or any other State, in the development and operation of its own inspection program.

So far, I have only referred to that section which has generated the most discussion and publicity. Equally important, however, are those provisions which revise and clarify the Federal Meat Inspection Act. This law, enacted by the Congress 61 years ago, has only had one minor amendment during those intervening years while the meat industry has changed radically in both size and structure.

I believe the Senate should support the committee's recommendations so that the American housewife may continue to purchase federally inspected meat secure in the knowledge that it will be safe for her family to eat. At the same time, this measure will effectively close existing loopholes that permit spoiled or diseased meat products to reach the shelves of the neighborhood grocery store.

Mr. KENNEDY of New York. Mr. President, I rise in support of the strengthened Montoya-Mondale bill. Updating and strengthening of meat inspection regulations are long overdue.

Congressional hearings and other public attention to the problem have shown us that too many Americans can still buy unwholesome and unsanitary meat in the grocery store where they regularly shop. The approach reflected in the legislation before us is careful and reasonable. By its enactment we will take a large step toward eliminating a health hazard which endangers too many American consumers.

INSPECTION OF BEEF FOR THE KOSHER MARKET

Mr. WILLIAMS of New Jersey. Mr. President, traditionally and historically the meat inspectors inspecting beef going to the kosher market have been permitted to use flashlights to perform this task. A short time ago, however, regulations were promulgated by the Department of Agriculture which excluded the use of flashlights in this inspection. The senior Senator from Oregon [Mr. MORSE] and I did a thorough study and examination of this question and concluded that this prohibition was arbitrary and unnecessary. We, therefore, urge that the regulation be changed in such a manner as to permit the use of flashlights for the inspection of beef in this small area of kosher foods.

Mr. MONDALE. Mr. President, I would like to join the Senator from New Jersey and the Senator from Oregon in urging that the Secretary of Agriculture study this problem in order to determine if it can be alleviated by a change in the regulations.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending bill be laid aside temporarily and that the

Senate proceed to the consideration of Calendar No. 786, H.R. 7977, and ask that it be stated.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. H.R. 7977, to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, reported with an amendment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, strike out all after the enacting clause and insert:

That this Act may be cited as the "Postal Revenue and Federal Salary Act of 1967".

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

(b) Section 4251(a) of the title 39, United States Code, is amended by striking out "and (4)" and inserting in lieu thereof "(4) bills and statements of account, and (5)".

(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail

weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3	\$0.48
Zone 4	.50
Zone 5	.56
Zone 6	.64
Zone 7	.72
Zone 8	.80";

and

(2) by deleting paragraph (2).

(c) Section 4303(f) of title 39, United States Code, is amended by striking out "the Virgin Islands or the Canal Zone" wherever appearing therein and inserting in lieu thereof "or the Virgin Islands".

(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word "eight" and inserting in lieu thereof the figure "7".

SECOND-CLASS MAIL PREFERRED RATES

SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

	"[In cents]					
	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	Mailed after Dec. 31, 1972
Rate per pound:						
Advertising portion:						
Zones 1 and 2	2.4	2.9	3.5	4.1	4.6	5.2
Zone 3	2.6	3.3	4.1	4.9	5.6	6.4
Zone 4	3.0	4.1	5.3	6.5	7.6	8.8
Zone 5	3.4	4.9	6.5	8.0	9.6	11.1
Zone 6	3.8	5.7	7.7	9.7	11.6	13.6
Zone 7	3.9	6.0	8.1	10.3	12.4	14.5
Zone 8	4.3	6.9	9.4	11.9	14.5	17.0
Nonadvertising portion	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece	.2	.2	.2	.2	.2	.2

"(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

"(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

	"[In cents]		
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound	1.3	1.4	1.5
Minimum charge per piece	.2	.2	.2";

(2) by adding at the end thereof the following:

"(d) (1) Except as provided in paragraph (2), the rates of postage on publications, mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

(3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publication (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans', fraternal, nonprofit educational television stations, educational television agencies operated by a State or a political subdivision thereof, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title."; and

(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication."

and inserting in lieu thereof—

"4358. Rates of postage; preferred."

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

"[In cents]

	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, and, when added to lawfully required postage, shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title."; and

(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4359. Postage rates beyond county of publication."

and inserting in lieu thereof—

"4359. Rates of postage; regular."

(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out "bills,".

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows: "§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]

	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.3	15.1	16.0
Minimum charge per piece.....	1.9	2.9	3.8".

THIRD-CLASS MAIL

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed during calendar year 1968	Mailed after Dec. 31, 1968	
(1) Individual piece.....	Cents 6.0	Cents 6.0	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—	2.0	2.0	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

"(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided under subsection (a), rounded off to the nearest one-tenth cent."

(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, containing twenty-four pages or more (at least twenty-two of

which are printed), consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books, including any accompanying pad of forms or ballots for use in obtaining expressions of opinion with respect to questions related to the subject matter of the book;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;";

(2) by striking out in subsection (b) (1) "4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof" and inserting in lieu thereof "5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof";

(3) by inserting in subsection (b) (1) (B) "museums and herbaria," immediately following "public libraries,";

(4) in subsection (b) (2) by striking out "and" at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof "; and"; and by adding at the end of such subsection the following new clause:

"[Cents per copy]"

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria.";

(5) by inserting in subsection (c) "or narrower width" immediately following "16-millimeter", and "museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria," immediately following "sound recordings,"; and

(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

(b) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates".

(c) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films," and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates."

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,".

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

SEPARATION BY MAILER OF SECOND-CLASS MAIL

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail

"The Postmaster General may require publishers and news agents to make up and address second-class matter in accordance with a 5-digit ZIP code system."

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers."

ADDITIONAL ENTRY POINTS

SEC. 113. Section 4358(b) of title 39, United States Code, is amended to read as follows:

"(b) The rates of postage on the following publications admitted as second-class mail, when mailed for delivery by letter carrier at the office of mailing, shall be as follows:

	"Mailed at office of original entry"	Mailed at an office of additional entry during—	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971 and thereafter
Published more frequently than weekly.....	1	1.5	2.0	2.5	
Published less frequently than weekly:					
Weighing 2 ounces or less.....	1	1.5	2.0	2.5	
Weighing more than 2 ounces.....	2	2.5	3.0	3.5	

The rates prescribed in section 4359 of this title shall apply to publications published weekly and mailed at additional entry offices and to any publications mailed at an additional entry office which does not have letter carrier service."

MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words 'Free Matter for the Blind or Handicapped', or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

(c) Section 4451(d) of title 39, United States Code, is repealed.

PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

(1) by striking out "and" at the end of clause (9);

(2) by striking out the period at the end of clause (10) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

SEC. 117. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: 'This is solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer.'; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATE

SEC. 118. This title, except section 113, shall become effective on January 7, 1968. Section 113 shall become effective on July 1, 1968.

CONFORMING AMENDMENTS

SEC. 119. (a) (1) Subparagraph (A) of section 2303(a) (1) of title 39, United States Code, is repealed.

(2) Subparagraph (D) of such section is amended to read as follows:

"(D) free postage on reading matter and

other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title;"

(3) Subparagraph (I) is amended by striking out "educational".

(b) Section 4552(c) of such title is amended—

(1) by inserting "and" after the semicolon at the end of paragraph (4);

(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

(3) by striking out paragraph (6).

EDUCATIONAL TELEVISION

SEC. 120. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word "or", and by adding after item (10) the following new item:

"(11) published by an educational television agency of a State or political subdivision thereof or by a nonprofit educational television station."

TITLE II—FEDERAL SALARY INCREASES

SHORT TITLE

SEC. 201. This title may be cited as the "Federal Salary Act of 1967".

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	
GS-17.....	23,788	24,581	25,374	26,167	26,960					
GS-18.....	27,055									

(b) Except as provide in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the Grand Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the

Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate

which is above the minimum rate thereof, his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out "salary levels 19 and 20" and inserting in lieu thereof "salary levels 20 and 21".

CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading "POSITIONS" is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"§ 3512A. Positions in salary level 2

"Custodian. (KP-1)

"(1) Basic function.—Performs manual laboring duties in connection with custody of an office or building.

"(2) Duties and responsibilities.—

"(A) Performs any combination of the following duties:

"1. Moves furniture and equipment.

"2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

"3. Loads and unloads supplies and equipment.

"4. Removes trash from work areas, lobbies, and washrooms.

"5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

"6. Stacks supplies in storage rooms and

[illegible]

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25

(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

"(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

"(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position,

placed in the next higher salary level, which he had attained immediately prior to such effective date.

(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

"3544. Fourth Class Office Schedule."

and inserting in lieu thereof—

"3544. Compensation of postmasters at fourth-class offices."

CONFORMING AMENDMENTS

SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out "(3) revenue unit category, with respect to the Fourth Class Office Schedule," and inserting in lieu thereof "(3) minimum hours of service with respect to postmasters in fourth-class post office."

(b) Section 3560(f) of title 39, United States Code, is amended by striking out "(1) reductions in class or revenue unit category of any post office, or" and inserting in lieu thereof "(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or".

(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out "level PFS-10" and "level PFS-11", wherever appearing therein, and inserting in lieu thereof "level PFS-11" and "level PFS-12", respectively. Subsection (g) of section 3573 is amended by striking out "PFS-17" and inserting "PFS-18".

(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out "level PFS-15" and inserting in lieu thereof "level PFS-16".

(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

SPECIAL SALARY RATE RANGES

SEC. 201. (a) Section 5303(a) of title 5, United States Code, is amended by striking out "seventh pay rate" and inserting in lieu thereof "maximum pay rate".

(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION

SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraphs (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule"

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule"

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Class 1.....	\$24,944	\$25,776	\$27,055						
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336		
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940		
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207		
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346		
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121		
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376		
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084		

(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The per

"Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

(c) Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

SALARY RATES FIXED BY ADMINISTRATIVE ACTION

SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employ-

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

annum salaries of such staff officers and employees within each class shall be as follows:

ees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not other wise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, shall—

(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this

title other than this section and sections 205, 210, 213, 214, 215, and 219—

(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

(B) by 3 per centum, whichever is greater; and

(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code. Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

(i) the President pro tempore of the Senate, with respect to the United States Senate;

(ii) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

JUDICIAL BRANCH EMPLOYEES

SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable

increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5."

(e) Section 792(b) of title 28, United States Code, is amended by striking out "\$26,000" and inserting in lieu thereof "\$29,000".

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate, or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term "officer" does not include a Senator.

(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out "\$180" and inserting in lieu thereof "\$188".

(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;
"\$212,440 if such population is 3,000,000 but less than 4,000,000;
"\$223,720 if such population is 4,000,000 but less than 5,000,000;
"\$234,060 if such population is 5,000,000 but less than 7,000,000;

"\$245,340 if such population is 7,000,000 but less than 9,000,000;
"\$258,500 if such population is 9,000,000 but less than 10,000,000;
"\$271,660 if such population is 10,000,000 but less than 11,000,000;
"\$284,820 if such population is 11,000,000 but less than 12,000,000;
"\$297,980 if such population is 12,000,000 but less than 13,000,000;
"\$311,140 if such population is 13,000,000 but less than 15,000,000;
"\$324,300 if such population is 15,000,000 but less than 17,000,000;
"\$338,400 if such population is 17,000,000 or more."

(l) Section 105 of such Act is amended by striking out "\$1,080", "\$6,120", "\$10,620", "\$10,800", "\$14,220", "\$14,400", "\$15,660", "\$15,840", "\$18,180", "\$22,320", "\$23,400", and "\$24,480" wherever they appear in such section and inserting in lieu thereof "1,128", "\$6,392", "\$11,092", "\$11,280", "\$14,852", "\$15,040", "\$16,356", "\$16,544", "\$18,988", "\$23,312", "\$24,440", and "\$25,568", respectively.

(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading "SENATE" in the Second Deficiency Appropriation Act, 1948.

(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out "\$540" and inserting in lieu thereof "\$564".

(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c)(1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the aggregate gross pay from the positions exceeds \$6,256 a year, and if—

"(A) the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives; or

"(B) one of the positions is under the Office of the Architect of the Capitol.

"(2) For the purpose of this subsection, 'gross pay' means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter."

INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULES

SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out "\$28,500" and inserting in lieu thereof "\$29,500".

(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out "\$27,000" and inserting in lieu thereof "\$28,750".

(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out "\$26,000" and inserting in lieu thereof "\$28,000".

SALARY INCREASE LIMITATIONS

SEC. 216. Except as provided in sections 213 (d) and (e), 214 (a) through (f), 215, and 219, no rate of compensation shall be increased, by reason of the enactment of

this title, to an amount in excess of the salary rate now or hereafter in effect for level V of the Executive Schedule in section 5316 of title 5, United States Code.

UNCONTROLLABLE OVERTIME DUTY

SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out "15" and inserting in lieu thereof "25".

PAYMENT OF RETROACTIVE COMPENSATION

SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SALARIES OF LEGISLATIVE OFFICIALS

SEC. 219. (a) Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

(1) in subsection (c), by striking out "\$27,000" and inserting in lieu thereof "\$28,000";

(2) in subsection (d), by striking out "\$25,500" and inserting in lieu thereof "\$27,250"; and

(3) in subsection (e), by striking out "\$23,500" and inserting in lieu thereof "\$25,000".

(b) Notwithstanding any other provision of law, no officer or employee of the General Accounting Office, the Library of Congress, the Government Printing Office, or the Office of the Architect of the Capitol, whose pay is fixed in accordance with the General Schedule under section 5332 of title 5, United States Code, shall be paid at an annual rate in excess of \$27,055 by reason of the operation of section 212 of this Act.

EFFECTIVE DATES

SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 218, 221, and 224 (a) and (b) shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 109, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c)

shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, and 219) shall be held and considered to become effective as of the date of such enactment; and

(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

SEC. 221. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3110. Employment of relatives, restrictions

"(a) For the purpose of this section—

"(1) 'agency' means—

"(A) an Executive agency;

"(B) an office, agency, or other establishment in the legislative branch;

"(C) an office, agency, or other establishment in the judicial branch; and

"(D) the government of the District of Columbia;

"(2) 'public official' means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and

"(3) 'relative' means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

"(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

"(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

"(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

"(e) This section shall not be construed to prohibit the appointment of an individual

who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible."

(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof: "3110. Employment of relatives; restrictions."

(c) The amendments made by this section do not apply to an appointment, employment, advancement or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

TRAVEL STATUS

SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

"(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 5733. Expeditious travel

"The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel."; and

(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

"5733. Expeditious travel."

(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: "Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 5345. Position classification appeals

On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

"(2) decide whether the position has been properly classified; and

"(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position.

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials."

(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

"5345. Position classification appeals."

MISCELLANEOUS PROVISIONS

SEC. 224. (a) Section 4101(2)(B) of title 5, United States Code, is amended by striking out "Coast and Geodetic Survey" and inserting in lieu thereof "Environmental Science Services Administration".

(b) (1) Section 8339(e)(2) of title 5, United States Code, is amended to read as follows:

"(2) the greater of—

"(A) the final basic pay of the Member; or

"(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b)(1) of this title."

(2) Section 8348(g) of title 5, United States Code, shall not apply to benefits resulting from the amendment made by this subsection.

(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out "\$65,000" and inserting in lieu thereof "\$80,000", and by striking out the fourth sentence therein and inserting in lieu thereof the following: "The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code."

TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his

agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(1) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term 'children' includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship."

(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

SEC. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows:

"(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

Greater than—	But not greater than—	"If annual pay is—	The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
		Greater than—	But not greater than—	Greater than—
0	\$8,000	\$8,000	\$10,000	\$10,000
\$8,000	9,000	9,000	11,000	11,000
9,000	10,000	10,000	12,000	12,000
10,000	11,000	11,000	13,000	13,000
11,000	12,000	12,000	14,000	14,000
12,000	13,000	13,000	15,000	15,000
13,000	14,000	14,000	16,000	16,000
14,000	15,000	15,000	17,000	17,000
15,000	16,000	16,000	18,000	18,000
16,000	17,000	17,000	19,000	19,000
17,000	18,000	18,000	20,000	20,000
18,000	19,000	19,000	21,000	21,000
19,000	20,000	20,000	22,000	22,000
20,000	21,000	21,000	23,000	23,000
21,000	22,000	22,000	24,000	24,000
22,000	23,000	23,000	25,000	25,000
23,000	24,000	24,000	26,000	26,000
24,000	25,000	25,000	27,000	27,000
25,000	26,000	26,000	28,000	28,000
26,000	27,000	27,000	29,000	29,000
27,000	28,000	28,000	30,000	30,000
28,000	29,000	29,000	31,000	31,000
29,000	-----	-----	32,000	32,000

SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8708. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

SEC. 404. Chapter 87 of title 5, United States Code, is amended—

(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy of optional insurance, which shall make available to each insured employee optional insurance in addition to the amounts shown in section 8704(a) of this title.

"(b) The optional insurance shall be made available in amounts approved by the Commission, not to exceed \$10,000 of optional life insurance plus an equal amount of optional accidental death and dismemberment insurance, and under such conditions as the Commission shall prescribe.

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of

entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

"(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

"(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

"(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

"(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title."; and

(2) by inserting in the analysis of such chapter the following new item after item 8714:

"8714a. Optional insurance."

SEC. 405. (a) The amendments made by sections 401-403 of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment and shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date of the amendments made by sections 401-403 of this

Act, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

(b) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment or on any earlier date which is at least sixty days after the date of enactment that the Civil Service Commission may prescribe and shall have no effect in the case of an employee who died, was finally separated, or retired prior to such effective date.

SEC. 406. The Employees Life Insurance Fund is available without limitation for expenses incurred by the Civil Service Commission in carrying out section 404 of this Act.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, now that the bill (H.R. 7977), the Postal Rate and Federal Employees' Salary Act of 1967, is before the Senate, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be considered for purposes of further amendment as the original text of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

Mr. MONRONEY. Mr. President, this legislation is designed to increase postal revenues in order to reduce the total \$1,200 million postal deficit that now exists. We charge off, however, as a public service, the necessary functions of the post office that are nonrevenue produc-

tive, or are loss items, in the amount of \$640 million in public service costs; so our actual net operating deficit for a year's operation, after this year, would be \$560 million.

As reported by the committee, the bill will increase revenues by \$916.5 million when fully effective. All of this will not take place the first year, and neither will all of the increase in costs of the Post Office Department, because this is a three-stage pay bill, which will provide for additional increases to achieve comparability next year and the following year.

Mr. President, I ask unanimous consent to have printed in the Record at this point a brief summary of the bill and a chart exhibiting the proposed rate changes and revenue increases contained in this legislation as passed by the House of Representatives and as amended by the committee.

There being no objection, the summary and the chart were ordered to be printed in the RECORD, as follows:

SUMMARY OF TITLE I

The committee has reported the bill as referred with amendments to increase postal rates as follows:

(1) First-class mail is increased to produce an additional \$518.4 million.

(2) Airmail and air parcel post has been increased to produce an additional \$49.7 million.

(3) Second-class mail has been increased to produce an additional \$33.6 million.

(4) Third-class mail has been increased to produce an additional \$264.7 million.

(5) Controlled circulation rates have been increased to produce an additional \$7.9 million.

(6) Fourth-class book rates have been increased to produce an additional \$12.6 million.

(7) Additional Federal revenue derived from mailings by the Government will produce an additional \$29.6 million.

The total new revenue when the bill is fully effective will produce \$916.5 million, an increase of \$26.9 million over the bill as referred.

POSTAL RATES

Mail class	Rates			Estimated 1968 volume (millions)	Estimated 1968 revenue (millions)	Estimated 1968 surplus or loss (millions)	New revenues (millions)		Cost coverage after all pay and rate increases (percent)		
	Now	H.R. 7977	Senate bill				H.R. 7977	Senate	Now	H.R. 7977	Senate
First class:											
Letters.....	5 cents ounce.....	6 cents ounce.....	6 cents ounce.....	42,225	\$2,526.9	+\$101.2	\$495.4	\$495.4	103	110	110
Drops.....	4 cents ounce.....	6 cents ounce.....	6 cents ounce.....	106							
Cards.....	4 cents each.....	5 cents each.....	5 cents each.....	2,302	92.2	-24.5	23.0	23.0			
Total.....				44,633	2,619.1	+76.7	518.4	518.4			
Airmail:											
Letters.....	8 cents ounce.....	10 cents ounce.....	10 cents ounce.....	2,098	225.0	+10.8	56.3	56.3	105	119	119
Cards.....	6 cents each.....	8 cents each.....	8 cents each.....	32	2.0		0.6	0.6			
Parcels.....	First class and zone rates.	Zone rates.	Zone rates.	55	107.8	+46.2	-7.2	-7.2	175	157	157
Total.....				2,185	334.8	+57.0	+49.7	+49.7			
Second class:											
Regular.....	Adv. 4.2 cents to 14 cents per pound. Non-Adv. 2.8 cents per pound. Minimum of 1 cent.	Adv. 5.1 cents to 17 cents per pound. Non-Adv. 3.4 cents per pound. Minimum of 1.3 cents.	Adv. 5.2 cents to 17 cents per pound. Non-Adv. 3.4 cents per pound. Minimum of 1.3 cents.	5,412	110.9	-264.9	25.0	26.1	29	34	33
Surcharge.....	Deleted.	Deleted.	Deleted.	(1,835)			5.5				
Nonprofit.....	1.8 cents per pound; 1/8 cent minimum.	2.1 cents per pound; 0.2 cents minimum. Adv. at zone rates; 5.1 cents to 12 cents.	2.1 cents per pound; 0.2 cent minimum. Adv. at zone rates; 5.2 cents to 17 cents. 10% exclusion.	2,266	7.9	-126.2	6.2	4.5	7	11	9
Classroom.....	60% of regular rate.	Same.	Same.	137	1.8	-8.2	0.4	0.4	18	20	20
In-country.....	1 1/4 cents per pound; 1/8 cent minimum.	1.5 cents per pound; 0.2 cent minimum.	1.5 cents per pound; 0.2 cent minimum.	1,748	9.3	-70.9	2.0	2.1	13	14	14

Footnotes at end of table.

POSTAL RATES—Continued

Mail class	Rates			Estimated 1968 volume (millions)	Estimated 1968 revenue (millions)	Estimated 1968 surplus or loss (millions)	New revenues (millions)		Cost coverage after all pay and rate increases (percent)		
	Now	H.R. 7977	Senate bill				H.R. 7977	Senate	Now	H.R. 7977	Senate
Second class—Continued											
Transient.....	4 cents first 2 oz.; 1 cent each add'l oz.	5 cents first 2 oz.; 1 cent each add'l oz.	5 cents first 2 oz.; 1 cent each add'l oz.	44	5.0	—0.4	0.5	0.5	92	91	91
Total.....				9,337	134.9	—470.6	39.6	33.6			
Third class:											
Single piece.....	4 cents first 2 ounces; 2 cents each additional ounce.	6 cents first 2 ounces; 2 cents each additional ounce.	6 cents first 2 ounces; 2 cents each additional ounce.	3,409	209.3	—34.1	69.8	69.8	86	103	103
Bulk—Regular.....	12 cents and 18 cents per pound; 2½ cents minimum.	16 cents and 22 cents per pound; 3.8 cents minimum.	16 cents and 22 cents per pound; 3.6 cents to 4 cents minimum.	15,667	495.7	—316.9	154.1	182.8	61	72	75
Bulk—Nonprofit.....	6 cents and 9 cents per pound; 1¼ cents minimum.	8 cents and 11 cents per pound; 1.9 cents and 1.3 cents minimum.	50% of bulk pound rate and 40% of minimum per-piece bulk rate.	3,286	43.4	—117.3	10.1	12.1	27	30	31
Total.....				22,362	748.4	—468.3	234.0	264.7			
Controlled circulation...	13½ cents per pound; 1 cent minimum.	5 cents per pound; 3.8 cents minimum.	16 cents per pound; 3.8 cents minimum.	437	24.3	—17.6	6.4	7.9	58	68	71
Fourth class:											
Books, records, films, and other materials.	10 cents first pound; 5 cents each add'l.	16 cents first 2 pounds; 6 cents each add'l.	12 cents first pound; 6 each add'l.	221	57.8	—70.6	9.7	11.5	45	48	49
Library mail.....	4 cents first pound; 1 cent each add'l.	8 cents first 2 pounds; 3 cents each add'l.	5 cents first pound; 2 cents each add'l.	18	1.7	—8.9	2.6	1.1	16	37	24
Total.....				239	59.5	—79.5	12.3	12.6			
Federal Government mail.	All classes.....	All classes.....	All classes.....		153.6	+7.3	29.2	29.6	105	115	115
Grand total ^a				79,193	4,074.6	—895.0	889.6	916.5	83	87	88

¹ Included in 34-percent figure.² Listed services only. Data do not reflect volume, revenue, or costs for other services, including parcel post, international mail, special services, and public-service costs for rural operations.

2D-CLASS REGULAR-RATE PUBLICATIONS

	Number of subscriptions per issue (in thousands)	Terms of subscription				Number of subscriptions per issue (in thousands)	Terms of subscription		
		Percent, less than 1 year	Percent, 1 to 3 years	Percent, 3 years and over			Percent, less than 1 year	Percent, 1 to 3 years	Percent, 3 years and over
Reader's Digest.....	14,916	6.9	93.0	0.1	Popular Science.....	1,019	1.5	91.9	6.6
McCall's.....	7,659	.3	83.8	15.9	Popular Mechanics.....	1,013	1.1	76.9	22.0
Look.....	7,129	1.1	75.2	23.7	Argosy.....	959	2.3	62.1	35.6
Life.....	6,878	19.2	67.1	13.7	Holiday.....	954	.5	84.3	15.2
The Saturday Evening Post.....	6,255	.6	76.6	31.8	House & Garden.....	913	1.2	95.7	3.1
Better Homes & Gardens.....	6,060	.2	88.4	11.4	Playboy.....	840	.2	90.1	9.7
Ladies Home Journal.....	5,928	.3	76.5	23.2	Glamour.....	829	3.1	68.8	28.1
Good Housekeeping.....	4,502	.1	81.8	18.1	Esquire.....	795	8.1	42.0	49.9
TV Guide.....	3,744	26.8	67.4	5.8	Nation's Business.....	794	.1	44.8	55.1
Redbook.....	3,252	.4	81.0	18.6	Ebony.....	732	.6	83.2	16.2
Time.....	3,150	60.2	33.7	6.1	House Beautiful.....	713	.2	74.0	25.8
Farm Journal.....	3,024	.1	45.1	54.8	Sunset.....	702	.2	80.0	19.8
American Home.....	2,947	.2	74.7	25.1	Ingenue.....	580	.3	78.3	21.4
Parents' Magazine and Better Home-making.....	2,011	13.6	48.4	38.0	Business Week.....	498	.7	64.0	35.3
True.....	1,852	.8	68.0	31.2	Forbes.....	428	.5	57.6	41.9
Newsweek.....	1,735	40.5	47.5	12.0	Saturday Review.....	420	17.3	75.4	7.3
Successful Farming.....	1,331	.1	57.8	42.1	Fortune.....	411	6.3	76.8	16.9
U.S. News & World Report.....	1,325	42.0	49.2	8.8	Mademoiselle.....	374	5.4	92.7	1.9
Progressive Farmer.....	1,280	1.2	64.0	34.8	The New Yorker.....	360	1.9	98.1	
Mechanix Illustrated.....	1,106	.5	49.2	50.3	Seventeen.....	354	1.5	97.8	.7
Sports Illustrated.....	1,079	52.4	40.6	7.0	Harper's Bazaar.....	301	.3	84.6	15.1
Sports Afield.....	1,069	.5	58.9	40.6	Vogue.....	275	37.3	57.1	5.6
Field & Stream.....	1,052	.8	72.7	26.5	Harper's.....	233	15.6	71.9	12.5
Outdoor Life.....	1,028	.7	96.9	2.4	The Atlantic Monthly.....	232	46.7	50.0	3.3
					Cosmopolitan.....	25	.3	94.4	5.3

Source: 1966 supplement to the Association of National Advertisers, Inc. "Magazine Circulation and Rate Trends," pp. 2, 3, 6, and 7.

Mr. MONRONEY. Briefly, additional revenues resulting from the committee bill are as follows:

The committee has increased the rate on first-class mail from 5 to 6 cents per ounce. This will produce an additional \$495.4 million. The present category of drop letters is eliminated, and the rate is increased from 4 to 6 cents per ounce.

The rate on postal cards is increased from 4 to 5 cents each, producing an additional \$23 million.

The rate on airmail letters is increased from 8 to 10 cents per ounce. This will provide an additional \$56.3 million. The rate on airmail post cards is increased from 6 to 8 cents each, producing an additional \$600,000.

The rate on air parcels, now mailed at a zone rate, is revised. Airmail weighing

more than 7 ounces and first-class mail weighing more than 13 ounces will be combined as one class of mail and will be delivered by the most expeditious means of transportation available.

This is a significant departure from the present method of determining class of mail and postage rates for heavier parcels. Because of the high cost coverage of heavy first-class and airmail parcels, the Post Office Department has recommended, and the committee and the House of Representatives have approved, a new rate schedule combining these two kinds of heavy mail at a zone-rate schedule which is generally lower than present rates for air parcel post or first-class mail.

The total revenue gained in these

changes in airmail and heavy parcels will be \$49.7 million.

The committee has made several changes in the provisions for rates of postage applicable to second-class mail.

The regular rates approved by the House applicable to commercial magazines and newspapers have been revised to increase by one-tenth of a cent the pound rate on the advertising content in the first four zones. This will produce an additional \$1.1 million over the House figure of \$25 million.

The surcharge of three-tenths of a cent on each copy of a publication which mails more than 500,000 copies per issue has been eliminated.

The rate of postage on advertising content of nonprofit publications will be identical to the schedule for commercial

publications, but nonprofit publications having not more than 10-percent advertising will not be subject to the advertising rate schedule. The rate of postage for nonadvertising content and the minimum-per-piece charge for each copy of a nonprofit publication is substantially lower than the rate for commercial publications.

The minimum rate of postage on classroom publications is maintained at 60 percent of the regular commercial rate. The classroom publications that are carried at the minimum rate will be increased, but only to 60 percent of the regular commercial publication rate.

The present advertising rates on agricultural publications in zones 1 and 2 are maintained, as approved by the House.

The rate of postage for publications which are distributed within the county of publication is approved as referred. This will increase rates to 1.5 cents per pound with a minimum of 0.2 cent per piece.

The rate of postage on transient second-class mail is increased by 1 cent on the first 2 ounces.

Total revenue gain is \$33.6 million.

The third-class rate schedule for a single piece has been approved as referred. Under existing law, the rate is 4 cents for the first 2 ounces and 2 cents for each additional ounce. The House of Representatives recommended and the committee has approved an increase to 6 cents for the first 2 ounces. This will produce an additional \$69.8 million.

The rates of postage on bulk-rate third-class mail are increased from 12 to 16 cents per pound for seeds, catalogs, and books, and from 18 to 22 cents per pound on other mail. The minimum charge per piece was increased by the House of Representatives from the present 2.875 to 3.8 cents effective January 7, 1968.

The committee, after great discussion and after many votes on this highly debatable and highly controversial issue of junk mail, voted to revise the minimum charge per piece to increase the rate to 3.6 cents effective January 7, 1968, and 4 cents effective January 1, 1969.

The bulk rate for nonprofit organizations has been increased from the present minimum-per-piece rate of 1.25 cents to 40 percent of the minimum-per-piece regular bulk rate. The provisions of the bill as referred from the House of Representatives, divided nonprofit organizations into two groups. Nonprofit organizations for religious, charitable, or general health purposes were permitted to mail at a minimum of 1.3 cents. Other nonprofit organizations would mail at 1.9 cents per piece, except when that mail was a fundraising nature for religious, charitable, or general health purposes.

The committee has revised this language so that all nonprofit organizations will mail at the same rate with no distinction between those that are religious, charitable, or general health, and those which are not.

It would have created, the committee decided, a very significant, if not impossible, administrative problem in the

postal service to have differing rates of postage applicable to the same class of mail each determined by which organization is using the mail for a fundraising or nonfundraising purpose.

Because we have included this provision, that type of mail would all move at the same rate. Following out the relationship between nonprofit and profit-making institutions, we have again adopted a sliding scale in which a nonprofit organization will receive in most cases approximately a 60-percent discount from the regular rate.

In this way, we will not have to worry through the years about figuring out two rates, one for the profit and one for the nonprofit organizations.

The nonprofit minimum rate has been increased only one-fourth of a cent in the past 39 years. I repeat that statement for the benefit of my friend, the distinguished senior Senator from Ohio, who is always interested in watching the expenditure of every penny.

The nonprofit minimum rate has been increased only one-fourth of a cent in the past 39 years. I think it is a significant mark of progress that the committee has resolved this situation. And by relating it to the third class regular rate, we will begin to have paid in for this class of mail, deserving though it may be, a greater share of the cost that the Government must pay out to deliver this large volume of mail and still not work a hardship on these nonprofit organizations which do necessarily use this class of mail for fundraising efforts.

The committee believes that establishing a permanent relationship of the nonprofit minimum rate to the regular rate, at a 60-percent discount of the regular rate, is a fair rate for the mailer without being an undue charge to the taxpayer who makes up the loss.

Total revenue gain for all third-class mail is \$264.7 million. Over a quarter of a billion dollars is being raised by elevating the cost of third-class mail which is commonly referred to as junk mail.

We feel that the 4-cent permanent rate, to become effective next year, will go a long way toward reducing the subsidy that has been paid for this type of mail.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LAUSCHE. Mr. President, would the bill which came from the House of Representatives put into effect immediately this third-class rate?

Mr. MONRONEY. At 3.8 cents. It moved from 2.875 cents. On January 7, 1968, it would move to 3.8 cents.

The pending bill would lower this initial rate so that it would move from 2.875 cents to 3.6 cents the first year and would become 4 cents effective the following year. This would give them a chance to adjust.

We will have a serious attack, I am sorry to say, probably from the junk mailers in an effort to roll back this increase and take advantage of the very intensive and, in some cases, very vicious lobbying attempts that have been made on the part of these mailers to defeat the purpose of the bill.

We carry 82 billion pieces of mail a year. We are having difficulty in finding a way to move this volume of mail.

I can understand the figure better when I say 82 thousand million pieces of mail. A very considerable part of this mail has been moving under third-class rates. It is a highly subsidized rate for the profitmaking institutions.

Mr. LAUSCHE. Mr. President, am I correct in my understanding that the House bill provided for an increase in the full amount immediately after passage of the bill?

Mr. MONRONEY. The Senator is correct. It was to be on January 7.

Mr. LAUSCHE. The mailers of third-class mail wanted to have the increase spread over a 3-year period.

Mr. MONRONEY. The Senator is correct.

Mr. LAUSCHE. The Senate committee decided upon a 2-year period in which to put into effect the full, new levy.

Mr. MONRONEY. The Senator is correct. The reason we did not extend it to the third-class mailers is because this mail comes unsolicited and many times unwanted. It does not involve the subscription as in second-class mail which is sometimes for 2 years and 3 years.

Subscriptions have been sold for 2 and 3 years by these large-volume mail users at fixed prices. They cannot adjust their circulation income to the price of the subscriptions that have been sold this year or last year.

They would be in a deficit position. So we do allow the 3-year phase-in, because the people want this mail. They pay money to subscribe for it. They buy it on subscription sometimes as far ahead as 5 years, at the old rate.

To be fair to all classes of mailers, we felt that a period of 3 years was amply justified with respect to the paid circulation media. We assisted even third-class mailers with a two-step increase.

Mr. LAUSCHE. With respect to the different classes of mail, having in mind the junk mail, what did the testimony and the communications which the committee received show about the attitude of the public with respect to junk mail?

Mr. MONRONEY. The attitude of the public with respect to junk mail is that the least amount of it, the better. They resent their mail boxes being cluttered up with unwanted and sometimes lewd, lascivious, and pornographic mail that comes in from many of the mailing lists.

It is a tragedy to say it, but I must say that the traffic in peddling mailing lists has become a rather big business in the direct mail industry. You can join the Book-of-the-Month Club and find yourself receiving pornographic mailings, because the lists are shifted around by the direct mailers or by businesses that go specifically into peddling mailing lists. So you have no assurance that your home will not be invaded by pornographic literature, although you have never been on any list.

One of the witnesses, the distinguished Congressman from Nebraska, Mr. CUNNINGHAM, testified that his son, when he was only 12 or 13, was in a Boy Scout group that subscribed to one of the Boy Scout magazines. How the list got into the

hands of pornographic mailers, no one knows, but it did; and this boy's name has been on it from then on. The literature keeps coming to Representative CUNNINGHAM's home, and this is the reason why he was the author of an amendment which the House agreed to and which the Senate has maintained unchanged in this bill.

Mr. LAUSCHE. That is, title 3, which intends to cope with the mailing of lascivious literature, is dealt with in the bill?

Mr. MONRONEY. It is dealt with in the bill exactly as the House passed it, exactly as Representative CUNNINGHAM intended it to be, modified by the House action. We changed not a line, nor did we dot an "i" or cross a "t."

Mr. LAUSCHE. I thank the Senator.

Mr. MONRONEY. I might say that third-class mailers will pay \$28 million less than they ordinarily would have paid under the House-passed bill for the first year, and \$28 million more the second year and each year thereafter. The revenue, in other words, for the 2-year period will be the same, and after that it will become higher, because the rate goes to 4 cents, which will cover a greater portion of the cost involved in handling the mail.

Mr. LAUSCHE. Is it fair to say that the committee concluded that in face of the attitude of the public with regard to junk mail and in face of the huge burden that rests upon the Post Office Department with respect to expense, it was absolutely necessary to increase the rate on the junk mail to the extent that it has been done in the bill?

Mr. MONRONEY. When these rates are fully effective at the end of the second year, they will cover 75 percent of the cost of handling the junk mail, as opposed to 61 percent at the present time and as opposed to 72 percent as the bill was passed by the House.

In other words, if the volume is decreased, then our costs of handling it will be decreased, and our job of moving 82 billion pieces of mail will be somewhat lessened. The first-class users, who still pay the greatest portion of the cost, will be able to get better service; because the postman's load will be less, the work of those in the main post office will be less, and the work in transportation will be less. The number of pieces may decrease, but we will have less congestion of the mail.

I fear there is a point at which the volume of mail becomes unmanageable, and this is what we are attempting to avoid. We want the finest postal service the world has ever seen; and I believe that when we get through with what is in the bill, we will have accomplished this.

I will emphasize later that the bulk of new revenue—over a half billion dollars—to be raised by this bill would be achieved by increasing the first-class mail from 5 cents to 6 cents. But the first-class mailer will almost receive for 6 cents what is equivalent today to an 8-cent airmail stamp, or a 10-cent airmail stamp under the new bill. The first-class mail would go overnight from Los Angeles to New York, or from the Sena-

tor's home city of Cleveland to Seattle. If the mail performance is what it should be in the post offices themselves, one could mail a letter anywhere in a major city this evening, and it would be delivered the next morning anywhere in the United States.

We are putting this system in even for the smaller towns, with a small airplane lift, to move the mail between the cities overnight, to do our best to get next morning delivery from the smallest hamlet to the most distant place in the United States.

Mr. LAUSCHE. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I have received some inquiries from small newspapers—what I would call county seat newspapers—in rural counties, complaining of the increased burden that would be imposed upon them by the pending bill. I have not had the time to run down the question fully, but I wonder whether the distinguished Senator has come to a point in his remarks at which he could logically discuss that subject.

Mr. MONRONEY. I will come to it.

As chairman of the committee and as a former newspaperman, I know almost every editor in the State of Oklahoma, including the publisher of the smallest in-county newspaper. I know that they are well pleased with the rates that are provided for all types of second-class mail, including the largest mailer.

The in-county rate is one and one-quarter cents per pound today, which is pretty cheap. The new cost would be 1½ cents a pound. They would go up one-quarter of a cent per pound on their mailing in-county.

Mr. HOLLAND. That is 20 percent.

Mr. MONRONEY. There would be a one-eighth of a cent minimum charge. The minimum charge, in which they are more interested than they are in the pound rate, will go up to one-fifth of a cent.

I may say to the in-county people that the cost coverage on this class of mail is the lowest of any class, and under this bill they would pay only 14 percent of the cost coverage. Prior to this bill, they have been paying only 13 percent of the cost coverage. So this would mean an increase of only 1 percent in the cost coverage.

It is important to have smalltown newspapers. They chronicle the news that does not appear in the New York Times, the Washington Post, the Los Angeles Examiner, the Tulsa Tribune, the Daily Oklahoman, or the great Miami newspapers. This is journalism at the grassroots, and it is essential that we keep it alive.

Mr. HOLLAND. The home county newspapers.

Mr. MONRONEY. Yes. I believe a greater percentage of these home county newspapers, four-sheet papers, with very little advertising, are sent to Vietnam and to the four corners of the world; because they relate what Aunt Nelly has been doing at the county fair or who won the prize in the 4-H Club

for the best bull. This is Americana; and if we are going to help any publication, this is where we should give the best, and we have disturbed them the least.

Not one editor in Oklahoma—and I must say that I know all of them by their first names—has written me or even called me, and I wish they would call me collect if they object. I have not received one word of criticism.

Mr. HOLLAND. I wish to bring this out in some detail. Do I correctly understand that the within-county mailing of such home county newspapers, published generally at the county seat, is at the rate of 1¼ cents per pound under present law?

Mr. MONRONEY. The Senator's understanding is correct.

Mr. HOLLAND. And that the new bill, as reported by the committee and supported by the Senator from Oklahoma, would raise that charge to 1½ cents a pound?

Mr. MONRONEY. A one-quarter of a cent increase, and their circulation is small.

Mr. HOLLAND. That is a 20-percent increase in the postal rate.

Mr. MONRONEY. This is over a 3-year period. This does not escalate.

Mr. HOLLAND. The Senator means that it would not all come in 1 year?

Mr. MONRONEY. No. It does come in 1 year.

Mr. HOLLAND. My understanding was that it became effective immediately. I may have misunderstood.

Mr. MONRONEY. The minimum per piece rate becomes effective immediately and that goes from one-eighth of a cent to two-tenths of a cent minimum. In other words, it would be one-eighth of a cent against 5 percent of a cent for the minimum. That does become effective January 7.

The pound rate is spread over the 3-year period.

Mr. HOLLAND. That is, if a single paper in such case is moving to a certain point within the county, but outside the town where it was published, the rate would go from one-eighth of a cent to one-fifth of a cent?

Mr. MONRONEY. Yes. The individual minimum rate. They have to pay that on any copy. If it were a heavier paper they would pay the pound rate and the minimum would not apply.

Mr. HOLLAND. As to mailings out of county, will the Senator state for the record what that would be under existing law and the proposals incorporated in this bill?

Mr. MONRONEY. This would apply to all larger publications mailed out of county. At the present time the advertising in the second class regular publications would be 4.2 cents per pound.

The advertising rate today runs from 4.2 cents to 14 cents per pound. The non-advertising rate is 2.8 cents per pound. That rate is for news matter. The minimum is one cent per copy. Under our bill it would go from 4.2 cents to 5.2 cents per pound and from 14 cents per pound under the higher rate to 17 cents per pound, or an increase of 3 cents per pound.

Mr. HOLLAND. The larger newspapers are generally distributed by truck and do not use the mails to any great degree.

Mr. MONRONEY. Television and radio have made it imperative almost for even the smallest country editors to put mail in the back of their cars and run it to more extreme outposts so that it can be delivered the same day. They are relying less and less on the mail.

Mr. HOLLAND. Would other county rate increases be effective immediately or would they be spread over a term of three years?

Mr. MONRONEY. They are spread over 3 years.

If they have less than 5,000 out-of-county it goes from one-half cent or five-tenths of a cent to eight-tenths of a cent per piece.

Mr. HOLLAND. It would appear to me from the figures the Senator has stated, and I appreciate it and thank the Senator, that the rural county home-town paper, generally published at the county seat, is still given a decided preference in rates in contrast to the large newspapers.

Mr. MONRONEY. The cost coverage is the test under the uniform cost accounting system.

The county paper has been paying 13 percent and they will only pay 14 percent of the cost coverage under the bill. While the larger second class regular paper will go from 29 percent to 33 percent cost coverage.

The Senator will see that the bigger and more capable they are the greater the charge, but still it is a highly subsidized rate no one could afford to give except the Government, and that is because of public service features contained therein.

Mr. HOLLAND. I thank the distinguished Senator.

FEDERAL MEAT INSPECTION ACT

The Senate resumed the consideration of the bill (H.R. 12144) to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senate will now proceed to vote on final passage of H.R. 12144.

Mr. DIRKSEN. Mr. President, before the roll is called, I thought attention should be called to the similarity in the House bill and the Senate bill, and I would like to have those views presented before the roll is called.

The PRESIDING OFFICER. The Chair is reluctant to advise the distinguished Senator that there is no way we can so proceed. There is a unanimous-consent order and the hour of 2:15 having arrived, we are instructed to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unanimous-consent agreement entered into be vacated temporarily.

Mr. RUSSELL. Mr. President, what is the request?

Mr. DIRKSEN. To put in the similarities before the roll is called.

Mr. RUSSELL. All right.

The PRESIDING OFFICER. Does the Senator from Montana, the distinguished majority leader, ask that rule XII be suspended for that purpose?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

Mr. DIRKSEN. Mr. President, I submit the views alluded to. That is all.

The PRESIDING OFFICER. Without objection the material will be printed in the RECORD.

The views presented by Mr. DIRKSEN, are as follows:

It is encouraging to note the substantial area of agreement between the House of Representatives and the Senate Committee on Agriculture with respect to legislation on meat inspection. The Senate Committee naturally believes that it has strengthened and improved the measure, and there does not seem to be any general disagreement with this contention even though some reservations have been expressed about two of the Committee amendments. The fact that major provisions of the two bills are identical serves to contradict those critics who have asserted that the House passed a weak bill. Those who might believe that can be suspected of not having carefully studied the provisions of the Purcell Bill. Will Rogers used to say that all he knew was what he read in the papers. In the field of legislation that isn't enough. Informative as the press is, one must go further and read the fine print.

A quick summary may be in order for the purpose of reviewing those provisions common to both the House and Senate bills and which do provide a sound basis for strengthening and updating the Federal Meat Inspection Act.

Title I in the two bills is identical. This title would "update" the terminology of the Meat Inspection Act to bring it into conformity with the provisions of the Food, Drug, and Cosmetic Act and the Poultry Products Inspection Act. This title would give the Department of Agriculture specific authority to require inspection and to regulate such matters as labeling and packaging. Actually this title in practical effect simply confirms the authority of the Department to continue the type of control it has exercised for many years under the more general language of the present Meat Inspection Act. It has been noted that the authority over labeling and packaging is more extensive than that provided by the Fair Packaging and Labeling Act over which Congress labored so diligently for such a long time. There is no controversy concerning this title. It tends to confirm the often made statement that federal meat inspection as it has operated has indeed provided a high degree of consumer protection—more complete, in fact, than for any other food with the possible exception of poultry.

It should be observed in passing that the provisions relating to imported meat, contained in Title I, are identical in the two bills. In brief, imported products are subject to all the requirements and regulations applicable to domestic federally inspected products.

Title II of the proposed legislation is substantially identical in the Senate and House bills. The purpose of this title is to give the Secretary of Agriculture needed additional authority to control the traffic in meat and related products not qualified or suitable for human food. Chances are that those who have criticized this legislation as being weak have not thoroughly analyzed the provisions of Title II. Briefly, it would give the Secretary of Agriculture authority to require denaturing or other identification of meat not suitable for human consumption. The Secretary would be given authority over meat packers,

processors, wholesalers, warehouses, truckers, importers, renderers, and animal food manufacturers. This authority would be in addition to that granted by Title I to conduct a continuous inspection. It would require the keeping of certain records and would permit the Secretary to inspect premises, inventory and records, to copy records and to take samples. Moreover, intrastate operators would be covered in those situations where a state did not have comparable authority or was not exercising it in a manner calculated to assure the public of wholesome meat products.

Title II of the bills also would require brokers, renderers and animal food manufacturers to register with the Secretary of Agriculture, who would additionally be given authority to issue regulations dealing with the buying, selling, transportation or importation of "4-D" animals.

Even without authority to conduct continuous inspection in intrastate establishments, the Secretary would have tremendously broad authority under this title to identify and control unwholesome meat products regardless of whether they happened to be moving in interstate or intrastate commerce.

Title III of both bills deals with relationships between federal and state meat inspection programs. In both bills, provision is made for federal assistance to the states. This includes laboratory and other technical assistance. It includes federal financial assistance to the states up to 50 percent of the cost of a state program.

Critics who have not studied the legislation carefully have contended that the legislation described thus far does not go far enough in compelling states to improve their programs if they choose not to do so. Hence, the Senate Committee has approved several amendments designed to put more teeth in the legislation. One such amendment would enable the Secretary of Agriculture to require full federal inspection in all establishments within a state if within a period of two years the state failed to impose requirements at least equal to those in effect at federally inspected establishments. Provision would be made for an additional grace period of one year if assurance were provided that state action would be taken. It seems necessary and desirable to put teeth of this kind in the legislation. Another Committee amendment would empower the Secretary to take immediate action where it may be determined that an intrastate establishment is producing adulterated meat or meat food products that would endanger the public health. In such situations drastic action is called for.

A question has been raised with respect to the provision that would authorize the governor of a state to waive the two-year waiting period and request the Secretary of Agriculture to take immediate action to require full federal inspection for establishments within the state. Not only would this provision give to one man absolute power to control the manner in which meat inspection would be conducted within his state, but it would also have the effect of handing him a blank check drawn on the United States Treasury. It has been estimated that there are in the country about 15,000 establishments not presently under federal meat inspection, and if the authority granted to governors by this legislation were exercised to pass responsibility to the federal government for any substantial proportion of them, it would become virtually impossible for the Congress to anticipate appropriation needs. The states, in the exercise of their police powers, have an important part to play in meat inspection; hence, it is extremely doubtful whether the federal government should attempt to preempt all authority or to give governors the kind of power that would make it possible for them to shift their intrastate responsibilities to the federal government.

closest and dearest friend, not only in the Senate but also in the House of Representatives.

There have been occasions, however, on which we have seen things differently. Indeed, those differences of point of view may have had ancient antecedents. My father, in his youth, went to what was then the Indian territory, but had the good judgment to return to the State known as the Volunteer State.

I do not wish to in any way demean the very fine team at the University of Oklahoma, nor the student body. I commend their discipline and willingness to have their study-ins.

I predict that after this football game there is going to be a "weep-in" at the University of Oklahoma.

Mr. MONRONEY. We will not be feeling sorry at that point but will have genuine sympathy for the great "Volunteer" team.

I did not know the Senator's father went to Oklahoma, but the name of Gore is famous in Oklahoma. The great blind Senator, Thomas P. Gore, was one of the greatest orators I ever heard. He could retain in his mind facts, statistics, and detail from a 1-hour speech and then repeat that information. His oratory was well known in that period of history.

When I see my distinguished colleague, the senior Senator from Tennessee, with his graying hair and youthful stance, and as he gestures and throws back his head with his eyes closed, it is almost as if somewhere there is a connection between the bloodline of Thomas P. Gore, the distinguished Senator, and the distinguished family of Gores from Tennessee.

I had the distinguished pleasure of meeting the Senator's father. They are nearly identical in looks. There is a close resemblance between the Gores of Oklahoma and the Gores of Tennessee.

Mr. RANDOLPH. Mr. President, I had no ideas that such versatility would be exhibited in the Senate this afternoon.

Mr. President, I wish to say that in Oklahoma, rugged and versatile West Virginians opened up the oilfields. Then, we taught our Oklahoma friends how to do the job—and they have done a good job. West Virginians went west and I am proud that they did so well in Oklahoma.

Now, with reference to Tennessee, I recall that the University of Tennessee fielded an excellent football team at a time when five out of the 11 starting players were West Virginians. However, I must admit that Tennessee has done well without us, too.

I have mentioned two instances of West Virginia participation in the States of Oklahoma and Tennessee.

I also wish to remind the Senate that we had a Davis and Elkins College football team in West Virginia that went from our mountains to Annapolis, Md., and played Navy in the opening game. Navy called it a warm-up contest. The temperature was 90 degrees that afternoon when the game was played. We defeated Navy 2 to 0. We never made a substitution. Eleven men played, the entire game.

We speak of the strength of our States and the people in our States, and we do so in good humor.

But, Mr. President, I wish to return to the comment of the Senator from Indiana [Mr. BAYH] and thank him for the documentation of the RECORD. He has shown that there were approximately 100 students who caused the trouble when Secretary Rusk spoke, and that is all, out of a 20,000 student body at the University of Indiana. Again, I salute the 14,000 students who wrote the letter of apology to Secretary Rusk.

Then, I wish to commend the Senator from Ohio [Mr. LAUSCHE], who also discussed this matter. He indicated that there is within the organizational structure of a march or other disruptive tactic the insidious action of those who are frankly against us on almost every front, and not only on one front.

It has been pointed out that Mr. Delinger, who was in charge of the March on Washington, D.C., is an admitted Communist. He said he was a non-Russian Communist, whatever that means.

Yet, Mr. President, he was directing the planning and the programing of the demonstration which took place a few weeks ago in Washington, D.C., mainly at the Pentagon, and unsuspecting students by the hundreds were drawn into his web.

As the Senator from Ohio explains the situation we do not have to overdramatize it. It is there. We know it exists.

I am grateful for the comment of the Senator from Tennessee [Mr. GORE] who indicated that there is a place in this country, of course, for dissent, but there is also a place where men and women listen quietly although not agreeing totally with that which is said. This is in the tradition of honest dissent as differentiated from rowdism.

And I am grateful also to my colleague from Oklahoma [Mr. MONRONEY]. He has performed a very responsible job of leadership in connection with the pending bill. He has given me the opportunity to speak as I have, and of drawing these matters to the attention of the Senate, and, I hope, to the attention of citizens of the Republic.

Mr. MONRONEY. Mr. President, I express my appreciation to the distinguished Senator from West Virginia for his wonderful discussion and comment on the floor of the Senate to the effect that the great majority that one finds on any campus are as normal as ham and eggs in America. There are the people who follow the enthusiasms of America, who follow the sports, and outdoor interests, and who follow their books. In any case there are bound to be those who are nonconformists. We are big enough and strong enough and our student body is wise enough and stable enough to understand and permit them the freedom of dissent and to apologize oftentimes for their rudeness, ill manners, and methods. They are a tolerant group.

I think we must recognize that if some of those who dissent so violently and constantly only had the physical exercise and the competitive sports situation that could interest them, as all human beings like to have outside interests to blow off steam, for instance, on Saturday afternoons at a football game, then mankind would be better off and they would learn

the lessons that most of us have learned. We would have fewer kooks and more Phi Beta Kappas. We would have more Senators than dissidents or exiles or patients in various mental institutions.

It is the rounded out enthusiasm of America that has caused our greatness. As long as we have sports-conscious campuses, we will have fewer demonstrations such as the one that was mentioned where there was the defacing of historic shrines of America with obscenities.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The PRESIDING OFFICER laid before the Senate the pending business, H.R. 7977, a bill to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. MONRONEY. Mr. President, I presume that we will now resume the matter of first-, second-, and third-class mail and the rates it will produce and the nearly \$1 billion additional income that it will bring in only to the discomfort of some of the few junk mailers.

This is the greatest bargain in history, by raising nearly $\$ \frac{1}{4}$ billion from the junk mailers who will be forced to pay three-fourths of the cost of handling the mail and over $\$ \frac{1}{2}$ billion from the first-class users who so patiently have been willing to meet rising costs without lobbies or protest, and who recognize, I am sure, that while we raise this from 5 cents for a first-class letter to 6 cents, we are going to give them 8 cents in value because their mail will go transcontinental by air and will be delivered tomorrow morning, when the letter is mailed at night, almost anywhere in the country. It will not be an onerous or an extravagant raise to help to eliminate and wipe out at least for the current year the entire postal deficit.

Now, Mr. President, I should like to return to my formal discussion of this very important bill.

The rate for controlled circulation publications has been increased from 13.5 cents per pound and a 1-cent minimum to 16 cents per pound and a 3.8-cent minimum over a 3-year period. This will produce an additional \$7.9 million.

The committee rate is a 1-cent increase in the pound rate over the House bill.

The committee amendment goes far to reestablish the historic relationship of the controlled circulation publications to third-class mail insofar as rates are concerned, but does not impose the 16-ounce weight limit applicable to third-class mail.

Total revenue gain from controlled circulation is \$7.9 million.

There is a distinct difference between controlled circulation and second-class mail. Second-class mail are the newspapers and magazines with a paid-in circulation. People who buy them and receive them want them badly enough to pay, \$3, \$5, \$10, or \$15 a year for those publications on a weekly or a monthly basis to be sent to their houses.

Controlled circulation is advertising media not required to have the same editorial content that paid-in circulation has. It is advertising with 25-percent news coverage to allow it to go through the mails. People who receive it have not paid for it or asked for it. It is sent to a class of people the publisher thinks might like to read their advertisements and the small amount of editorial material that might be incorporated therein. It is what is commonly called in the trade throwaways.

I do not think we should subsidize this controlled circulation to any large degree. This is one of the increases which was put on there by raising the pound rate from 13½ cents per pound to 16 cents per pound, and the minimum to 3.8. This 3.8-cent minimum will apply to advertising throwaways by nature and give the post office better cost coverage. Even with the increases, we will take controlled circulation only from 58-percent cost coverage to 71-percent cost coverage, so that they will still be getting a good deal out of it. It does have a cultural value because of the editorial content, especially on the better publications—engineering, scientific, mechanical, and other things of that kind—and even the advertising might have some ultimate value.

The committee has revised the proposal of the Postmaster General and the House of Representatives regarding the rate of postage and the weight distribution of fourth-class books, records, films, and other materials which mail at a special fourth-class rate substantially lower than parcel post. As proposed by the Postmaster General and approved by the House, the rate was increased from 10 cents for the first pound and 5 cents for each additional pound, to 16 cents for the first 2 pounds and 6 cents for each additional pound. The committee has decided to retain the increment of 1 pound, but has increased the rate. The rate will be 12 cents for the first pound and 6 cents for each additional pound.

The rate of postage for similar materials mailed to or from libraries and nonprofit organizations is changed from the existing rate of 4 cents for the first pound and 1 cent for each additional pound to 5 cents for the first pound and 2 cents for each additional pound. The House had approved a rate equal to 50 percent of the regular book rate. The House bill would produce \$12.3 million. The bill reported by the committee will produce \$12.6 million.

The committee has removed the provisions in the House bill which would have charged first-, third- or fourth-class rates for advertising supplements enclosed in second-class publications. We did so because we believe the Post Office Department has adequate authority to impose existing statutory limitations on this kind of mail. We believe very strongly that the Post Office Department should take whatever steps necessary to enforce present law.

The committee also revised language authorizing the Postmaster General to require second-class mailers to make up mail in accordance with ZIP code procedures. Our amendment specifies the

limits of the Postmaster General's authority granted by Congress in this area.

This was because of the fear that the Postmaster General might prescribe unusual conditions; so we limit his authority to requiring the current ZIP code system for the postal system.

The committee removed from the House bill an amendment which would have repealed the existing law which permits publications devoted to the performing arts to file their stockholder and subscription report with the Postmaster General rather than being required to publish this report in their magazines. This provision of law was enacted in 1962 by the Senate and we see no reason to repeal the law today.

The committee revised the provisions of the House bill regarding use of additional entry points by nonweekly magazines. The House bill repealed a one-half-century-old administrative practice which permits monthly magazines to mail at the in-county per copy rate at additional entry points. Because of the immediate financial impact of this provision on a limited number of publications, the committee recommends instead a 3-year increase in the per copy so that publications utilizing the per copy rate at additional points will have an opportunity to adjust to the additional million-dollar cost.

The committee has stricken from the bill additional mailing privileges for military servicemen outside of Vietnam. In 1965 and 1966 Congress took broad steps to give our fighting men in Vietnam special mailing privileges. They can now mail free letters and certain personal-correspondence sound recordings. Mail addressed to or from Vietnam, including parcels up to 5 pounds, is mailed at regular surface rates and transported by air. Newspapers and magazines of a current news nature are carried to Vietnam by air at regular second-class rates. The air transportation at surface rates for letters and small parcels also apply to military post offices on a worldwide basis. But the committee does not believe that the free mailing privileges should be extended to servicemen outside combat zones. There is a substantial additional cost involved and we do not believe that our servicemen in Europe, Alaska, Hawaii, or the Canal Zone should receive the same benefit as our fighting soldiers in Southeast Asia.

As chairman of the committee, I am very proud of the bill we have produced. Our bill raises more revenue than any other postal revenue bill in history and is nearly \$100 million over Postmaster General O'Brien's recommendations.

This is the greatest business in the world. It handles the largest volume of mail, 82 billion pieces of mail each year. It will be able to break even, with the enactment of this bill, at least until the two other additional pay increases finally get cranked in to bring up to comparability with private enterprise, the salaries of the 700,000 postal employees who, for the most part, carry the mail through rain, sleet, snow, and ice on their appointed rounds.

The Post Office needs the money because the postal deficit is huge and the taxpayer foots the bill.

Third class is unwanted mail, sent not because the boxholder wishes it, but because someone wants to do business with him. It has been a drain in the form of a subsidy of \$316 million for this preferred class of mail user who operates solely for profit.

While we may hear a great deal about the little businessman in the country store not being able to afford a 4 cent stamp, we hear very little about the big city mailers who mail the vast majority of the 15 billion advertising circulars, which constitute the lion's share of all third-class mail. Procter & Gamble, those poor, poor soap industry boys in Ohio, are one of the largest users of the many large corporations which use third-class mail. A mere 13 third-class bulk-mail permit holders mail nearly 7 billion advertisements a year.

Think of that. Seven billion. Those 7 billion pieces contrast with what the entire United States, with its population of 200 million, uses, amounting to 82 billion, including the 7 billion mentioned here.

They have a right to use the mail. But the third-class mailer does not have the right nor does he serve a public interest deserving a \$316 million subsidy.

Every one of our 100 million taxpayers in this country pays more than \$3 a year to subsidize the third-class mailer. I believe the American taxpayer has the right to expect his Government to insure that third-class mail pays more of its way than it presently pays. For that reason I support wholeheartedly a 4-cent stamp for third-class advertising mail. That is just 66.6 percent of the cost that the taxpayer will pay to mail a letter to his mother or his son in Vietnam or the Collector of Internal Revenue. I do not believe that anyone can gripe about a 33-percent discount. But the Postmaster General, the House of Representatives, and our committee have all been accused of rank discrimination by spreading out the second-class rate increase over a 3-year period and not providing similar treatment for the third-class mailer. In their arrogance, we have been told time and time again that it has always been that way.

It is also true, for those interested in third-class rate history, that the minimum per-piece rate for third-class advertising mail remained at 1 cent from 1928 until 1953, and that the 1962 rate bill increased the minimum for third-class only three-eighths of a cent—or 15 percent—over a 3-year period.

Second-class publications have held a preferential status in American postal rate history since Benjamin Franklin's time. They are not unsolicited. Every magazine and every newspaper is required by law to have a legitimate list of subscribers who pay money to receive the magazine. They do not come to anyone's door unwanted. They present to an audience of 200 million Americans the news of the day, the best of literature, poetry, art, science, and current events. They contribute to the improvement of the minds of all Americans. I grant that a girlie magazine mails at the same rate as the Saturday Review or the Atlantic Monthly, or Harpers, or any of the intellectual magazines; but unlike third-

class mail, second-class publications pay a substantially higher rate of postage for advertising content than those which have only editorial content. They pay on a zone-rate schedule which charges on the basis of distance and weight.

I find very good reason to differentiate between a subsidy for the distribution of periodical literature and a subsidy for business advertising.

There is no necessity for spreading out the third-class rate increase. Second-class publications have subscription contracts with the great majority of their readers, extending sometimes 2, 3, 4, or 5 years in advance, while third-class mailers can increase or decrease their market coverage from day to day.

Bear in mind that the third-class mailers are the ones who raised a howl and engaged in odious lobbying activities. They do not pay for the increase. It is the advertisers who pay. They are saying they will not get business without

having Uncle Sam raise this subsidy, thereby making it more difficult to do business. They are the ones who have engaged in some of the most vicious lobbying activities it has been my experience to witness in some 29 years in Congress.

The advertiser can spend exactly the same dollar next year under these rates as he is spending this year by merely reducing his volume of circulars. The magazine publisher does not have that option. The percentage of subscriptions which are for 3 years or more on second-class publications is surprisingly high and the subscription price cannot be increased for the life of the subscription. I refer to the table on page 42 of the hearings, and request unanimous consent that the table be made a part of the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

2D-CLASS REGULAR-RATE PUBLICATIONS

	Number of subscriptions per issue (in thousands)	Terms of subscription		
		Percent, less than 1 year	Percent, 1 to 3 years	Percent, 3 years and over
Reader's Digest.....	14,916	6.9	93.0	0.1
McCall's.....	7,659	.3	83.8	15.9
Look.....	7,129	1.1	75.2	23.7
Life.....	6,878	19.2	67.1	13.7
The Saturday Evening Post.....	6,255	.6	67.6	31.8
Better Homes & Gardens.....	6,060	.2	88.4	11.4
Ladies Home Journal.....	5,928	.3	76.5	23.2
Good Housekeeping.....	4,502	.1	81.8	18.1
TV Guide.....	3,744	26.8	67.4	5.8
Redbook.....	3,252	.4	81.0	18.6
Time.....	3,150	60.2	33.7	6.1
Farm Journal.....	3,024	.1	45.1	54.8
American Home.....	2,947	.2	74.7	25.1
Parents' Magazine and Better Homemaking.....	2,011	13.6	48.4	38.0
True.....	1,852	.8	68.0	31.2
Newsweek.....	1,735	40.5	47.5	12.0
Successful Farming.....	1,331	.1	57.8	42.1
U.S. News & World Report.....	1,325	42.0	49.2	8.8
Progressive Farmer.....	1,280	1.2	64.0	34.8
Mechanix Illustrated.....	1,106	.5	49.2	50.3
Sports Illustrated.....	1,079	52.4	40.6	7.0
Sports Afield.....	1,069	.5	58.9	40.6
Field & Stream.....	1,052	.8	72.7	26.5
Outdoor Life.....	1,028	.7	96.9	2.4
Popular Science.....	1,019	1.5	91.9	6.6
Popular Mechanics.....	1,013	1.1	76.9	22.0
Argosy.....	959	2.3	62.1	35.6
Holiday.....	954	.5	84.3	15.2
House & Garden.....	913	1.2	95.7	3.1
Playboy.....	840	.2	90.1	9.7
Glamour.....	829	3.1	68.8	28.1
Esquire.....	795	8.1	42.0	49.9
Nation's Business.....	794	.1	44.8	55.1
Ebony.....	732	.6	83.2	16.2
House Beautiful.....	713	.2	74.0	25.8
Sunset.....	702	.2	80.0	19.8
Ingenué.....	580	.3	78.3	21.4
Business Week.....	498	.7	64.0	35.3
Forbes.....	428	.5	57.6	41.9
Saturday Review.....	420	17.3	75.4	7.3
Fortune.....	411	6.3	76.8	16.9
Mademoiselle.....	374	5.4	92.7	1.9
The New Yorker.....	360	1.9	98.1	
Seventeen.....	354	1.5	97.8	
Harper's Bazaar.....	301	.3	84.6	15.1
Vogue.....	275	37.3	57.1	5.6
Harper's.....	233	15.6	71.9	12.5
The Atlantic Monthly.....	232	46.7	50.0	3.3
Cosmopolitan.....	25	.3	94.4	5.3

Source: 1966 supplement to the Association of National Advertisers, Inc. "Magazine Circulation and Rate Trends," pp. 2, 3, 6 and 7.

Mr. MONRONEY. Mr. President, low rates for second-class mail have been a part of the postal system for many decades. We are increasing these rates about 25 percent at a time when magazines and newspapers are having a very hard time sustaining themselves. The fate of the New York Herald Tribune, Colliers, and Coronet give ample evidence of that fact of life.

They are in competition today with electronic journalists, who can be seen

on the early morning hour, on the 1 o'clock news, on the 8 o'clock news, on the 10 o'clock news. People can see, electronically, not only the spoken news, but also pictures of the happenings of the day, brought into their living rooms within minutes of the time those events occurred. So we must appreciate that the printed news of the world, as represented in paid subscription publications, is on a testing ground. I think we have made a justifiable increase for publications

which have seen the highest cost coverage in recent years.

That is the reason for the difference between the second-class increases and the third-class increases, and I think the reason is justified.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. Does the Senator wish me to yield on the part of the bill dealing with title I?

Mr. LAUSCHE. Yes, second-class mail. That deals with what particular type of mail?

Mr. MONRONEY. Paid-subscription magazines or newspapers, or any publication that has a subscription list, which circulates regularly, and contains 35-percent editorial content.

Mr. LAUSCHE. The committee felt that these particular enterprises are having difficulty surviving in the face of intense competition they are receiving from other sources?

Mr. MONRONEY. Not only that, but the higher cost of printing material, higher press costs, greater labor costs, which all go into collecting the news, at least 35 percent of which must be dead-head, for which they receive no advertising revenue. The subscription price rarely pays for the cost of the publication and the distribution.

Mr. LAUSCHE. Yes. Looking at page 8 of the committee report, I ask whether that is the subject about which the Senator is now speaking.

Mr. MONRONEY. Page 6, at the bottom; second class.

Mr. LAUSCHE. Yes. The committee has made several changes in the provisions for rates of postage applicable to second-class mail:

The regular rates approved by the House applicable to commercial magazines and newspapers have been revised to increase by 0.1-cent the pound rate on the advertising content in the first four zones. This will produce an additional \$1.1 million over the House figure of \$25 million.

Mr. MONRONEY. That is correct.

Mr. LAUSCHE. That is, the Senate committee increased the revenues that were fixed by the House of Representatives, which were \$25 million over what is now being received through this service. Is that correct?

Mr. MONRONEY. That is partly correct. Actually, we increased the rates over the regular rates on commercial magazines and newspapers by \$1.1 million. We eliminated a surcharge which I think the House unwisely, and perhaps without thorough reasoning, had applied, in the form of a three-tenths of 1-cent penalty on each copy of a publication which mails more than 500,000 copies per issue.

We did that because we thought it was unjustifiable, if a magazine is successful, and people wish to buy it, that we should charge more by three-tenths of a cent for delivering this successful magazine than for delivering one that was less successful. We felt they should all stand on the same rate, because they are all in the same category.

Mr. LAUSCHE. The report states:

The surcharge of 0.3-cent on each copy of a publication which mails more than 500,000 copies per issue has been eliminated.

Mr. MONRONEY. Yes.

Mr. LAUSCHE. That is what the Senator spoke of just a moment ago; is that correct?

Mr. MONRONEY. Yes, sir.

Mr. LAUSCHE. I read further from the report:

The rate of postage on advertising content of nonprofit publications—

This is a different type of publication; is that correct?

Mr. MONRONEY. That is correct. This is the Boy Scout magazine or a church magazine, or it could be a veterans' organization magazine—those that are mailed out to members of certain charitable or public-service-type organizations, which have always enjoyed a nonprofit rate.

Mr. LAUSCHE. I continue reading:

The rate of postage on advertising content of nonprofit publications has been revised so that the advertising zone schedule will be identical to the schedule for commercial publications, but nonprofit publications having not more than 10 percent advertising will not be subject to the advertising rate schedule.

Mr. MONRONEY. That is correct.

Mr. LAUSCHE. That means that the committee recognizing the nonprofit character of the particular institutions that are being considered?

Mr. MONRONEY. That is correct, and that so many of them are very small—6-, 8-, or 10-page church publications, for example. To try to keep up with the possible additional \$6 or \$8 that we might have received from their small circulation—for example, of 1,000 church bulletins—it would be more difficult for them to keep the books on it, and for the Government also, so we made a 10-percent cutoff as the maximum point, beyond which we would start requiring the regular rate, for advertising, to be paid by these nonprofit publications.

Mr. LAUSCHE. I read further from the report:

The rate of postage for nonadvertising content and the minimum-per-piece charge for each copy of a nonprofit publication is substantially lower than the rate for commercial publications.

Mr. MONRONEY. That is correct. That has always been true historically, and, of course, their subscription rates are very low—almost nonexistent—because they cater to a very select membership group, and are nonprofit by nature.

Mr. LAUSCHE. The committee tends to give recognition to the fact that they are nonprofit, and are serving a sort of civic, patriotic, religious, or possibly educational purpose?

Mr. MONRONEY. Yes, sir. But to correct what might become an imbalance, we do charge the postage rate for the percentage of the magazine that is advertising, and the regular commercial rate is applied to the advertising matter. So we will no longer have the unfairness of their saying, as some publications did—a small number—that they were nonprofit, and yet they carried vast volumes of paid advertising matter, which they were sending through at a very low rate. The advertising, or money-making part, will pay the same rate as the commercial magazines would pay for their commercial advertising.

Mr. LAUSCHE. Am I correct in my understanding that that means that the nonprofit publications, magazines or periodicals, will be examined to see what percentage of their issue deals with paid advertisement, and, on the basis of that paid advertisement, they will be required to pay a rate similar to the commercial publications on their advertising?

Mr. MONRONEY. On that percentage; and they will file, as all second-class users have always filed in the past, a statement as to each publication or newspaper, of what percentage is news and what percentage is advertising, and, in that way, be charged on the basis of their own calculation, audited occasionally by the Post Office Department to make sure it is accurate.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I believe it should be stated at this point that the second-class rates were increased by 23 percent, and that the increase in the rates for nonprofit publications was 60 percent, which is a very substantial increase. We will discuss that tomorrow. I have an amendment along this line, dealing with veterans' organizations, religious groups, and labor organizations.

Mr. LAUSCHE. The position of the Senator from Kansas is that the rate of increase for the nonprofit organizations is too high?

Mr. CARLSON. Sixty percent higher, and it is about 23 percent for second class.

Mr. MONRONEY. May I say to my distinguished friends, we are not dealing with small numbers of circulation; we are dealing with some of the largest circulations nationally, that go under the nonprofit category, and that are paying 7 percent of the cost of their carriage, and the Government is subsidizing 93 percent of their bill.

Under the committee bill, they would only be paying 9 percent, including their advertising, and the Government would be subsidizing 91 percent.

If Senators wish to bring that to an issue on the floor, I hope that all Senators will understand it, because I do not think the budget of the United States is in any condition, no matter what type of magazine, whether it is my church, your church, this veterans' organization, or any other, to maintain more than a 91-percent subsidy, including the advertising matter that is paying a profit for the magazine to exist upon.

Mr. LAUSCHE. One final question. By how many million dollars will income be increased through the increased rate that will be charged the nonprofit users of the mails?

Mr. MONRONEY. Four and one-half million dollars.

Mr. LAUSCHE. And that \$4.5 million is the equivalent of a 2-percent increase?

Mr. MONRONEY. In cost coverage. They have been paying 7 percent; they will be paying 9 percent. The House bill provided for 11-percent cost coverage; so the Senate bill has reduced the cost coverage by 2 percent.

Mr. LAUSCHE. May I ask the Senator from Kansas if this proposal will be a

disputed issue that will be brought up later in the discussion?

Mr. CARLSON. I think the distinguished chairman will agree that it was an issue that was under discussion in executive session of the committee.

Mr. MONRONEY. The Senator from Ohio is a very cost-conscious Member of the Senate, probably one of the most cost-conscious of us all. We are losing \$126.2 million on this category of mail. Revenue will be increased by only \$4.5 million. So there will still be an enormous loss.

Mr. LAUSCHE. Did the Senator say 7.9 percent?

Mr. MONRONEY. No; \$7.9 million is the estimated revenue for 1968. The estimated loss for 1968 would be \$126.2 million. We will raise an additional \$4.5 million in revenue under this bill.

Mr. LAUSCHE. Was any other acutely controversial issue developed with respect to second-class mail except nonprofit religious and educational publications?

Mr. MONRONEY. No; I would say this was about the only issue. I believe the distinguished Senator from Kansas, the ranking minority member of the committee, would agree to that. All the great newspapers and small country newspapers were very happy about the bill. Most of them approved the elimination of the surcharge, even though most of them operated below the surcharge level. But under the right of freedom of the press for all publications, big or small, we said, in effect, "Because you are successful, you should not be charged extra for your excess circulation."

Mr. LAUSCHE. What was the view of the Senator from Kansas concerning the elimination of the surcharge of .3 percent for each copy of a publication issued by institutions that published more than 500,000 copies?

Mr. CARLSON. The Senator from Kansas opposed it vigorously. In my opinion, it is a punitive piece of legislation. I think our committee was unanimous in striking it.

Mr. MONRONEY. We were. We made up a good part of that revenue by shifting to other sources. We picked up almost half of the penalty by adding to the rates on other categories of mail. We tried to protect the revenue, and we came out with more revenue than the Postmaster General asked for, because we tried to close loopholes; we tried to relate one rate to another and one class to another.

Each rate is now related to the other. Heretofore, they have been picked out of the wild blue yonder.

Mr. CARLSON. Mr. President, that is where the distinguished chairman of the committee and I have had some controversy in agreeing to an amendment that I did not believe belonged in the pending bill.

The chairman mentioned controlled publications. It is interesting to note that in 1958 the rate on that type of mail was 10 to 11 cents, and 1 cent per piece. However, the 1-cent-per-piece rate in 1967, in the pending bill, has gone up 280 percent, which is the highest increase experienced in any class of mail.

Mr. LAUSCHE. The controlled circulation comes under the third-class mail classification.

Mr. MONRONEY. No. It used to be there. It was just third class. It was carried as a sort of a miscellaneous thing. We did raise it, but the big increase that we are talking about is that we have raised it from 1 cent for an item like a shopping news and other things that are literally throwaway to 3.8 cents.

I do not want a postman, to whom we should pay a reasonable salary, to go to every house in his whole section of the city and put a shopping news or some other similar item in each mailbox. I do not think that is right.

These items are an excellent and profitable means of advertising. This is purely an advertising matter. They include a little junk, boiler plate, and stuff like that to qualify under the regular classification of controlled circulation. They will print recipes for chile or hotdog pie or something of the sort. It is just enough to get them under the wire and prove that they are disseminating information. They disseminate information as a billboard does. It is an advertising media.

They found that they could get a letter carrier, to whom we should pay a comparable wage, to do the things that they used to hire kids to do after school. They used to hire children to shove the old dodgers under every door. Now they find it is cheaper to send the material through Uncle Sam's post office. We go through all of the material, we weigh it out, and then the letter carrier has to put it at the door of every apartment in a 50-story building.

These are the things that they used to mail for a penny in 1928. It has been 1 cent since 1928. We want to raise it in 1967 to 3.8 cents. I say that is not an unfair rate considering the very low rate enjoyed for almost 40 years. I welcome a challenge on the subject of a higher subsidization on this kind of junk mail.

Mr. LAUSCHE. Will the Senator discuss the subject later?

Mr. MONRONEY. I will discuss it during the consideration of an amendment. I cannot square that with any idea of economy. Can anyone figure how a letter carrier can put this mail in every mailbox on his route? As a rule, he may have to deliver mail at every other house on his route. However, in the case of this class of mail, the letter carrier has to go up every step of these walk-up apartments to deliver the mail. I do not think we ought to be handling this kind of mail—material that we used to call dodgers or handbills.

Mr. LAUSCHE. Does the Senator understand that I am advancing these questions for the purpose of getting information?

Mr. MONRONEY. The Senator has helped me far more than even our magnificent staff in bringing into clear-cut focus some of the rates that have been obscured and have been overlooked for years. They were swept under the rug because they were too complicated.

The staff did excellent work on a bill that controls the salaries of every civilian

employee of this Government. We worked hard and came out with only one or two points on which we were not in almost complete agreement. It is a bill that will raise almost \$1 billion and take in almost \$100 million more than the President asked us, and still nobody will be hurt.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to my distinguished colleague on any subject except football at this point.

Mr. GORE. I will not refer to the subject. However, I hope we can sit together in Miami.

Mr. MONRONEY. I hope so.

Mr. GORE. I have listened with admiration and approbation to the workmanlike job which the able senior Senator from Oklahoma has done.

His speech has been factual and informative. Perhaps it is not amiss to observe that there are not many public plaudits available for steering into the Senate a bill to increase postal rates, and yet there should be.

The Post Office Department is the single largest business in the world. It is owned by the American people. We might call that socialism or something else. The Post Office is a mail service that operates at an economic rate. However, as the cost of living increases, as the cost of transportation increases, as the cost of buying Government trucks increases, and as it becomes necessary to increase the salaries of postal employees, it becomes necessary to increase the postal rates in order to have this business of ours operate on a pay-as-you-go basis.

The able Senator has performed a public service and duty worthy of commendation in bringing to the floor a sound bill and presenting to the Senate the precise, the detailed, and the able presentation and analysis of a bill which he has made.

I congratulate him upon his work on this bill and upon his speech. However, I am not going to wish him well in Miami.

Mr. MONRONEY. I thank my distinguished colleague. I will be with him 100 percent against any other team in the Nation except the Sooners on New Year's Eve.

It has been difficult to insist on higher rates all the way through. It has been discouraging to see the situation experienced by some of our large industries. Procter & Gamble and the other large corporations, the names of which I recited. There are a very few corporations involved. Thirteen third-class bulk mail permit holders mail nearly 7 billion advertisements a year.

Every bit of their labor cost has gone up. Their paper and handling costs have increased. They have not hesitated to pass that cost onto their advertisers by charging them that amount. But they always think Uncle Sam should absorb all his rising costs because we are the Government. And they are the ones who write us letters to say that we are running an inefficient Government, because we have a postal deficit.

The special interest groups that appeared before our committee—they were fine, able representatives of their different groups—contended that the Government should pick up the increase in the

cost. They would not think of asking the paper manufacturer or the ink manufacturer or the printing press manufacturer or the multigraph manufacturer to do that. But we are "Uncle Sap" when it comes to absorbing all the necessary costs of labor, transportation, buildings, and so forth.

So I believe that it is necessary to be hard-nosed with respect to some of these items. I know that it does not make any friends, but it is necessary.

We have produced a bill under the great leadership of the Postmaster General, one of the greatest I have seen, Larry O'Brien, who is insistent upon not only adequately financing the postal service and adequately paying our employees but also improving our mail service so that overnight a letter can travel from one coast to another, in the communication system that binds our 50 States together as a nation.

Title II of H.R. 7977 relates to the pay of nearly 2,500,000 civilian employees of the Federal Government. Briefly, this portion of the bill provides a three-step salary increase effective October 1, 1967, July 1, 1968, and July 1, 1969, to raise all Federal salaries for civilian employees, other than wage board employees, to rates of pay for similar kinds of jobs and levels of responsibility in private enterprise as determined by the annual survey conducted by the Bureau of Labor Statistics.

This is the fulfillment of the promise Congress made to our employees in the Federal Salary Reform Act of 1962, Public Law 87-793. If we do not fulfill that promise, if we do not pay our employees rates of pay comparable to private enterprise, then we can expect the most capable to leave the Government, and the least capable to stay.

Comparability has been the law of the land since October 1962, and, except in the lowest levels of postal and classified employment, it has not been achieved. Above the level of GS-15, neither the administration nor the Congress makes an effort to achieve comparability. Salaries payable to our career administrators and our presidential appointees lag far behind salaries for similar positions in private enterprise. But below that level, the career employee has been promised and waits patiently for Congress to fulfill the letter of the 1962 act.

This pay increase will cost \$2.6 billion when fully effective. The 1967 increase is a flat 4.5 percent across the board for nonpostal employees. The 1968 increase guarantees one-half of the remaining lag between private enterprise rates in the 1967 BLS survey, and the Federal rates established now in the general schedule, or 3 percent, whichever is greater. For postal employees, the 1967 increase is 6 percent and the 1968 increase is 5 percent, written into the law in the postal pay schedule.

These increases will become effective as we reach those effective dates, for the further action of Congress, if the bill is passed.

The basic reason we have adopted this slightly higher pay increase is because of the great difficulty of postal employees achieving higher pay positions. About 600,000 out of 700,000 postal employees

are letter carriers, postal clerks, mail handlers, and other lower echelon employees. Their opportunities for advancement are very limited. Our recommendations on pay take those limitations into account.

For example, a man will start in a grade 4. He begins as a letter carrier and he dies a letter carrier. He may have some additional step increases for longevity, but he is frozen in that grade. The same is practically true with respect to the clerks and the mail handlers.

This is a bad system. I hope we can revise it so that there will be opportunities for promotion, so that the men who begin at a 4 can go up to levels 5, 6, and 7.

I should like to see mobility of employees, as all good corporations have, instead of keeping a man tied to the small post office in which he began. No matter how efficient he is, he has seniority rights and employee rights only in that post office, at that grade, at that seniority.

I hope this will be the beginning of an intelligent approach to a personnel system. I believe that we properly recognize the static position of most of the postal employees in their grades, which is not the situation in general service grades.

The latter start as 4's, and they are elevated to 5's, 6's, and 7's, and on up to a higher level. I believe that the larger increase for the postal workers is entirely defensible, and I hope the Senate will sustain us in that view.

The 1969 increase will close the gap remaining between comparability for all employees as determined by the 1968 BLS survey and the rates of pay established on July 1, 1968. We have moved the date of the 1969 increase back from April 1 to July 1 to avoid having two pay increases in one fiscal year.

If Congress cannot face up to comparability as a fair and just policy for adjusting the pay of Federal employees, then we should admit it frankly and repeal the 1962 Comparability of Pay Act.

We should change our policy to say that Federal pay will be whatever we decide to give the employees whenever we decide to give it. No responsible employer in the world would adopt such a policy. It is obsolete and it is backward. We cannot get the type of dedicated manpower we need so desperately in the greatest service organization in the world, with 82 billion pieces of mail to move on time, to work and perform the duties that we expect of our employees. I do not believe we should lead the field in every case, but I believe we should make Government employment attractive enough so that public service as a career will not mean a permanent financial sacrifice.

Insofar as the pay of the employees of the State and legislative branch of the Government is concerned, the committee has made certain revisions in the House-passed bill for our own employees, those paid by the Secretary of the Senate. A ceiling of \$28,000, which is the proposed pay rate for level V of the Executive Salary Schedule, has been established. That ceiling cannot be raised until Congress takes further legislative action. The \$28,000 salary will apply to

three officers of the Senate whose pay is presently \$27,500 and who have not received a pay increase since July 1, 1964.

Second, for employees above the pay rate of an administrative assistant or committee clerk, we recommend that the President pro tempore be given authority to establish pay relationships generally in accordance with the relationships now existing by statute and that a ceiling of \$27,000 apply to these positions. For committee clerks and administrative assistants and any other employee to whom the general maximum of \$24,480 now applies, a ceiling of \$26,000 should be established. This will maintain a \$1,000 differential between these groups of employees and will still provide for an opportunity for pay adjustments up to these limits to be made in 1968 and 1969.

The committee recommends for employees in other agencies of the legislative branch that no salary exceed the rate provided for GS-18, \$27,055. Further adjustments in these rates of pay can be made whenever the executive schedule is revised.

The authority of a Senator to adjust the payroll of his own employees is included in the bill.

The committee has removed those provisions relating to an executive, legislative, and judicial Commission to recommend to the President pay rates for Members of Congress, executives, and judges of the U.S. courts. The House has passed this provision once before and the Senate did not go along. The committee is unanimous to its opposition to any proposal which would automatically adjust salaries for these positions. When the time comes for Congress to raise its salaries, the problems should be faced up to and voted upon affirmatively, for all the world to see. Back door methods of pay increases are not to be tolerated. This is not the way it should be done, in our opinion.

When the country feels that Congress is entitled to a raise, I am sure Congress will face up to it squarely and go on record, so that we will take the responsibility and not say we had to do it because a Commission said we should. So I believe that this is a good provision.

Title III of the bill provides an effective means for the recipient of lewd, lascivious, or otherwise offensive pandering advertisements to take action to control this kind of mailing. The committee has adopted exactly what the House of Representatives approved. This provision will vest in the recipient of the mail the authority to determine whether a pandering advertisement which he or any other member of his household receives is erotically arousing or sexually provocative. If in his sole discretion—and I repeat, in his sole discretion—any pandering advertisement falls into that category he may notify the Postmaster General to request the sender of the mail to refrain from any further mailings to him or a member of his household. If the sender, after notice by the Postmaster General, violates such an order, he shall receive from the Postmaster General a complaint alleging the violation and if after an appropriate hearing the Postmaster General determines that the order has been violated, the Post-

master General may request the Attorney General of the United States to make application to a Federal district court for a court order directing compliance. Failure to observe the court order may be punished as contempt.

I believe this is an effective means of controlling obscene and offensive materials which go through the mail. When all of the arguments of constitutionally protected free speech are over and done with, the fact remains that there is a billion dollar business in this country today involving the sale of obscene books, pictures, and other materials.

This proposal included in H.R. 7977 does not infringe upon the right of any person to buy or sell that kind of material, but it does give the ordinary family a means of being protected from advertisements which are unsolicited.

I do not believe any of us want this kind of material coming to our door, being seen or read by our wives, our children, or our grandchildren. It is an imposition upon the right of privacy. By vesting in each family the right to say they do not want this kind of mail is to guarantee by law that which common-sense dictates.

Title IV of H.R. 7977 revises the Federal Employees Group Life Insurance Act generally along the lines of previous legislation passed by Congress in 1966 and 1967—both of which were vetoed by President Johnson. The cost of this legislation has been reduced almost in half from that of the bill which President Johnson vetoed a few months ago. Title IV increases life insurance so that each employee will have a policy equal to his annual salary rounding off to the next higher \$1,000 plus \$2,000 up to a maximum of \$32,000 and guaranteeing a minimum of \$10,000.

This provides protection where it is needed most for the young employee with a growing family in the lower paid jobs in our Government who can least afford to purchase insurance outside of the group program. It eliminates the 13 year old, unrealistic ceiling of \$20,000 included in the original 1954 act.

It also provides that an employee may purchase if he wishes to do so and is willing to pay 100 percent of the cost an additional policy of \$10,000. This optional insurance does not cost the Government anything. But if the employee wishes to pay at the group rate for the additional insurance he may do so. The cost to the Government of this entire insurance provision for all of our Government workers is \$35.4 million.

That is our bill. I am very proud of our committee for the work they have accomplished. I am particularly grateful to the very distinguished senior Senator from Kansas [Mr. CARLSON], the former chairman of the Committee on Post Office and Civil Service, who participated with great energy to help hammer out this bill. As always, he was most cooperative in every aspect of this legislation, and although we did not agree on every single item, and we will not on the floor of the Senate, I understand, his helpfulness, his grasp of the subject before us, and his leadership on the minority side of the committee was distinguished and excellent.

I am grateful for our staff which worked better than any staff I have ever worked with, in order to keep on top of these intricate details, varying conditions of rates and pay, and information necessary in connection with a huge bill which involves more detail, perhaps, than any bill that is brought before the Senate.

I am grateful to my colleagues on the Democratic side who worked loyally and diligently in connection with the bill so that action could be taken in this session. I am deeply grateful to the minority members of the committee. We worked on a close time limit.

We heard testimony from anyone who wished to be heard and we gave them adequate opportunity to present matters that they needed to present so that the material could be printed in the record.

Again, I express my appreciation to the staff for the fine work they have done.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LAUSCHE. Mr. President, I direct the Senator's attention to the report on page 8 dealing with fourth-class books and records.

The Senator from Oklahoma will recall that I sent him a letter pointing out that the publishers of certain books in Ohio complained to me that the rate on the 1-pound books and letters was increased on the same basis as books of 1 pound and more.

These publishers of books argued that the weight of their books, being 1 pound or less, should not be charged on the same basis as the publishers of the books of 1 pound and more.

The report shows that the committee has revised the proposal of the Postmaster General and the House of Representatives regarding the rate of postage and the weight distribution of fourth-class books, records, films, and other materials which mail at a special fourth-class rate substantially lower than parcel post.

I shall read further:

As proposed by the Postmaster General and approved by the House, the rate was increased from 10 cents for the first pound and 5 cents for each additional pound, to 16 cents for the first two pounds and 6 cents for each additional pound.

The writer of the letter to me, from Dayton, Ohio, was the publisher of schoolbooks. He stated that their books had a weight of 1 pound or less and that it was unjust to charge them with the same rate being charged to the users of the mails sending parcels of 1 pound and more.

Am I correct that the committee did take cognizance of this complaint made by users of the mail who send books of 1 pound and less?

Mr. MONRONEY. Yes. The interest of the distinguished Senator from Ohio in this matter caused us to take special cognizance of it. In our study we felt that the two pound minimum, which was 16 cents, was unjust to publishers of smaller books and some paperbacks that are mailed. We broke it down into one pound, and so we raised the present rate of 10 cents for the first pound to 12 cents

for the first pound. We have a raise of 2 cents a pound which is a pretty cheap raise on books. The old rate was 5 cents for each additional pound. We increased that by 1 cent to 6 cents a pound. The reason I think the House went for the 2-pound rate is that we are being overburdened by record clubs which send out records which are hard to deliver. They were anxious to put a higher rate on records and this would have included them in a minimum charge of 16 cents, regardless of weight.

We considered raising the record rate but the committee membership, against my judgment, overruled me. I was unable to get a special rate on records but perhaps I will get it next year. It works out, with the exception of the rate records enjoy, to a very reasonable rate.

I know of the interest of the distinguished Senator from Ohio in library publications. This distinguishes between the commercial and the nonprofit field.

We dealt gently with libraries. The library sends out books to people who use the libraries. The old rate is 4 cents for the first pound. We raised it to 5 cents for the first pound. The House had set a rate of 8 cents for the first 2 pounds. I think the 1-pound rate will average out about as well for the books as the 2-pound rate would discriminate. So as to the additional pound, or 1 cent on the old rate and on the new rate 2 cents, I have heard no complaints from the libraries.

Mr. LAUSCHE. The committee did differentiate between users of mail who send packages of 1 pound or less as distinguished from those who send packages of 1 pound or more?

Mr. MONRONEY. That is right. We made the breaking point the 1-pound minimum. We raised that rate by only 2 cents on the first pound, and we raised the rate for the additional poundage from the present 5 cents, to 6 cents.

Mr. LAUSCHE. The House bill made no differentiation between the two?

Mr. MONRONEY. The House bill made the rate apply to 2 pounds whether it was used or not. If the weight is one-half pound, the sender has to pay the full 16 cents. Under our bill one would have to pay 12 cents for 1 pound or less. We think that is a good decision. We have had no criticism from fourth-class mail users.

When we went through the bill to raise \$1 billion, the only squawk we got was from the junk mailers.

I am ready to fight that out on the floor of the Senate. I welcome the opportunity to do so. I believe the Senate will back me up and say that this is a correction that is long past due; that we should even charge junk mailers back charges for the many years they have freeloadered on the taxpayers of this country. They are freeloaders who have profited in their private businesses by having this highly subsidized rate.

Mr. LAUSCHE. The net result of what the Senate committee did compared with what the House did in the production of revenues is as follows: The House bill will produce \$12.3 million. The bill reported by the committee will produce \$12.6 million.

Mr. MONRONEY. Is the Senator from Ohio talking about the library rate?

Mr. LAUSCHE. I am talking about fourth-class books.

Mr. MONRONEY. Yes.

Mr. LAUSCHE. That is, we differentiated between 1 pound and less, and 1 pound and more, and still reached a balance where the revenues produced by the Senate bill will net \$12.6 million to \$12.3 million by the House; is that not correct?

Mr. MONRONEY. That is correct. In almost every instance we have had the best businessmen working on the committee.

Wherever we found a difference in the rate, we started out with the thought that we would certainly try to get a little higher revenue in each case, so we did come out with a little more revenue overall, to put the operation on as near a business-like basis as we can.

The Post Office has great manpower, with a host of dedicated workers taking a new lease on life. They are happy to be working for an institution which will be operating in the black and not in the red. That is the kind of service I want to be connected with. I am proud to be the chairman of the committee. I am also proud of the able Members of the Senate who have participated so diligently in trying to be realistic, knowing that they may hurt someone every time the mail rate is increased—or at least someone is thinking he will be hurt—but still having the guts to stand up and say, "Our costs are going up and we expect you to pay a little more to cover them."

Mr. LAUSCHE. After the expiration of 2 years, if the wage increase portion of the bill is passed and the rate increase is passed, will the Post Office Department be operating on a self-sustaining basis?

Mr. MONRONEY. It will not be, when we give the two other pay increases.

Mr. LAUSCHE. How much will the deficit be at the end of the 2 years?

Mr. MONRONEY. The present post deficit, which is today \$560 million, will be reduced by almost \$250 million, so that we will have a quarter of a billion dollars—

Mr. LAUSCHE. Two hundred-eighty million dollars? Does the Senator from Kansas [Mr. CARLSON] wish to answer that?

Mr. CARLSON. If I may interject, the distinguished chairman has mentioned some figures. I have some figures with me. It was my thought that the deficit was \$1.2 billion. However, I may be wrong.

Mr. MONRONEY. That is not counting the public service charge of \$640 million. That amount comes off the \$1.2 billion. That is the deficit in the rural free delivery service, which is uneconomic; in the fourth-class mail, including books for the blind; and many other things of that nature which are necessary public service items. We must never forget that the Post Office is a public service. It is a public service which binds the country together in a reasonable, efficient, and effective communications system. Profit or not, we must have it.

Mr. LAUSCHE. Did the President recommend postal rate adjustments in a

degree that would make the Post Office Department self-sustaining?

Mr. MONRONEY. He did for the first pay increase. We will be in a surplus position for the first year. However, when we achieve comparability in the next two stages, we will use up the surplus that we will earn this year and will reduce it to where we will come out on a net deficit of—

Mr. LAUSCHE. It will be \$280 million instead of \$530 million.

Mr. MONRONEY. That is right; \$560 million.

Mr. LAUSCHE. It is \$560 million. Did not the President recommend that the Post Office Department should be put on a self-sustaining basis?

Mr. MONRONEY. This could possibly be done if it were not for the fact that we have to meet the necessary payroll increases.

Mr. LAUSCHE. Did the committee consider separating the payroll increase from the postal rate increase?

Mr. MONRONEY. We considered that. In fact, we thought we might take up those items separately. But when we began to look at the timetable, we thought we might take up the pay increase first. But we realize we had to pay for that first, so we decided to combine both increases in one bill. So we have arranged to pay for it by providing \$100 million this year through a change in the rates. We do not expect to have another rate change for several years. But the rate increase will be sufficient through this year and will provide a surplus.

But next year and the year following, there will be a deficit, and the amount of the surplus will be cut approximately in half. I should say that for a \$7 billion operation of providing the best postal service, we are doing quite well.

Certainly we know that wages everywhere are escalating. We have to be realistic. We have to have first-class employees.

Does the Senator know that the large jewelers of this country do not use armored cars to ship diamonds? They do not employ guards with machineguns. They merely register their diamonds and send them by U.S. mail. That is how good the postal workers have been through the years.

There has been some decline. Some postal unions have even dared to threaten a strike against their own Government. Those are the kind of persons who hurt their case. I am proud to say that only one union mentioned that in the hearings. I hope I shall never hear it again, because when Government employees strike, they are striking against the people of the United States. Any threat of a strike is unbecoming an organization which claims to be a union representing public servants who have taken an oath of public service. I hope we shall never again hear such demagogic threats against the Government, because they are not compatible with a sound democratic society. A stoppage of the mails by such action could cripple the country. I am sure, though, that that will never happen, and I hope Congress will never let it happen.

Mr. LAUSCHE. I thrill to listen to what the Senator from Oklahoma has just said.

May I ask whether the Senator from Kansas wishes to comment on the questions which I have just put? He is the ranking minority member of the committee.

Mr. MONRONEY. Mr. President, I yield the floor.

Mr. CARLSON. Mr. President, the distinguished chairman of the committee [Mr. MONRONEY] has accurately stated that the deficit on June 30, 1967, was \$1.2 billion. That is absolutely correct. Included in that amount is approximately \$600 million for public service. It is my personal feeling that the Post Office Department is a personal service operation, so we should not be so much concerned about the deficit.

But he also stated that the deficit at June 30, 1970, when the third phase of the bill takes effect, will be \$1.2 billion. The statement has not been challenged.

Mr. LAUSCHE. Does that mean that the expectation of the President in his recommendation will not become a reality?

Mr. CARLSON. I am certain that that is correct, because the Post Office Department is a service operation. We never hear anything about the necessity for the Department of Commerce, the Department of Agriculture, or the Department of State to operate within their incomes. But it is always said that the Post Office Department, the one agency that reaches all the people, should be made to pay its own way. I think it is a public service operation.

Mr. LAUSCHE. I am grateful to the Senator from Oklahoma for allowing me to put these questions to him.

Mr. MONRONEY. The Senator from Ohio has helped to clarify by the colloquy, as he well knows, the important nuts and bolts of the operation of an organization so great as the Post Office.

Mr. LAUSCHE. The Senator from Kansas has contributed richly to this discussion, because he has pointed up areas in which there is agreement and areas in which there is disagreement.

Mr. MONRONEY. I thank the Senator.

Mr. President, I yield to the distinguished Senator from Arkansas [Mr. McCLELLAN] such time as he may require.

Mr. McCLELLAN. Mr. President, will the Senator yield me 10 or 15 minutes?

Mr. MONRONEY. I yield the floor.

Mr. CARLSON. Mr. President, I do not ask for the floor at this time, but I want to speak on the bill. I shall be glad to yield to the Senator from Arkansas, if I am recognized.

Mr. McCLELLAN. I wanted the Senator to be recognized and then have him yield to me for 10 or 15 minutes.

Mr. CARLSON. I yield to the Senator.

OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1967

Mr. McCLELLAN. Mr. President, tomorrow the Senate Committee on the Judiciary will meet to consider the Omnibus Crime Control and Safe Streets Act of 1967. That measure is a product of

long and thorough hearings by the Subcommittee on Criminal Laws and Procedures of which I am privileged to serve as chairman. I have endeavored to keep my colleagues apprised of the progress of our hearings on anticrime legislation, in a series of six speeches delivered in the Senate during the past year. Every Member of this body, I am sure, shares my concern over the rapidly mounting incidence of crime facing our Nation.

Mr. President, in recommending the enactment of the bill to be considered tomorrow, the subcommittee concluded in part:

Crime is the most critical and urgent domestic problem facing the nation. Although essentially a local problem, the incidence of crime has reached proportions that threaten the peace, security and general welfare of the nation. The Federal government has a clear responsibility to help meet and to repel this threat. For Congress this means the enactment of legislation and the appropriation of funds to assist the states and units of local government to devise and implement programs to combat crime. To be successful, however, the war on crime must be mounted and waged on several fronts. Accordingly, the subcommittee recommends passage of S. 917, the Omnibus Crime Control and Safe Streets Act of 1967, which offers three major anti-crime proposals.

There are those who suggest, however, that the bill contains too many anti-crime proposals. There are those who liken it to a "Christmas Tree." Mr. President, if it is a law enforcement "Christmas Tree," well and good for it is certainly needed. But it is also a tree that has lots of thorns on it for the criminal. I know the habitual law violator does not like it. There is certainly nothing in this bill as reported by the subcommittee that pleases the rapist, the robber, the murderer and the mugger. It is strictly an anticrime bill. And then there are those who say that "if we are serious about rapid passage of the bill we should return to a clean bill along the general lines proposed—by the administration."

Mr. President, to all these people I say that I have never once considered that my responsibility is to merely pass bills or to see how fast bills can be passed. I do consider it to be my responsibility to present to the Senate, through the appropriate processes, the most effective anticrime bill possible for the preservation of and a return to law and order in this country. And it is to this end that the subcommittee labored.

This bill retains and strengthens the substance of the President's original bill to improve the general law enforcement capability of States and units of local government through Federal grants. In addition to the grants proposed for planning, recruitment, training, equipment facilities and research, special provisions were added to the bill to enable the States to deal more effectively with the problems of organized crime and with the increasing threats of riots in our cities. The original request for \$50 million was increased to \$85 million.

These features of the bill hold much promise for long-range improvements in local law enforcement. But crime—like time—waits for no man and we cannot leave our citizens exposed to and unpro-

have a right, a moral right, not to obey any law that we disagree with."

If the Supreme Court will not observe the precedents of its predecessors and the law that has been entrenched and riveted into our system of justice for 100 years, if they will not respect it, if they feel a compulsion to change it because they think perhaps it is morally wrong, or for some other reason, then why cannot the citizen who says, "I disagree with the law because it is wrong," do the same?

You tell me those decisions do not contribute to the atmosphere that prevails in this country today, an atmosphere of disrespect for and disobedience of law and order? Of course they do. If you think they do not, ask yourself what has been happening in America today.

I hope every Senator, I hope every American citizen, will read the article I have placed in the *Record* which appears in this week's issue of *U.S. News & World Report*, entitled "Is the United States Drifting Toward Anarchy?"

Mr. President, I do not know what will happen to this bill. There will be an attempt to water it down. There will be an attempt to take the teeth out of it. There will be an attempt to soften it so that certain elements in this country will not object—so that we can keep their votes, possibly. But I do not intend to soften it. I do not intend to retreat. I want Congress to meet its responsibility or to have the opportunity to say that it condones, approves, and supports the conditions that prevail in America today. I want to see whether we have the courage and the purpose and the resolve to stand up and be counted and to do something about it.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LAUSCHE. I wish to whisper into the Senator's ear that the eloquence and the forcefulness and constructiveness of his statement will go unnoticed by any except those who have heard it on the floor.

Mr. McCLELLAN. I thank the Senator for yielding.

MODERNIZATION OF LOAN AND DIVIDEND PROVISIONS OF FEDERAL CREDIT UNION ACT

Mr. SPARKMAN. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 1085.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1085) to amend the Federal Credit Union Act to modernize the loan and dividend provisions, which was, strike out all after the enacting clause and insert:

SECTION 1. Section 15 of the Federal Credit Union Act (12 U.S.C. 1761c) is amended by striking out the words "up to the unsecured limit, or in excess of such limit if such excess is fully secured by unpledged shares".

Sec. 2. Section 18 of the Federal Credit Union Act (12 U.S.C. 1763) is amended (1) by striking out the word "or" and inserting a comma in lieu thereof between "Annually" and "semiannually" and by adding the words "or quarterly" after the word "semiannually"; and (2) by striking out the word "five" and inserting in lieu thereof the word "ten".

Mr. SPARKMAN. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 2529. An act to amend the act of September 8, 1960, relating to the Washington Channel waterfront; and

H.R. 8582. An act to amend chapter 7 of title 11 of the District of Columbia Code to increase the number of associate judges on the District of Columbia court of appeals from two to five, and for other purposes.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, I wish to express my deep appreciation to the distinguished chairman of the Committee on Post Office and Civil Service for the excellent statement he made today with respect to the contents of the bill dealing with postal pay and postal rates.

The chairman was most generous to the members of the minority during several weeks of hearings. We also met several days in executive session. He was tireless in his efforts with respect to the bill. He was most kind and generous with those of us who disagreed with some sections of the bill. I believe that the bill is before the Senate today largely as a result of the patience, the endurance, and the kindness of the distinguished chairman of the committee. It has been a pleasure to work with him.

It is true that there are some areas of disagreement, as there were in committee. We shall no doubt discuss some of them before action on the bill is concluded.

This bill brings me great satisfaction, because for the first time we have been able to bring comparability to the Federal employees.

Mr. President, in 1962 we passed what was known as the Federal Salary Reform Act of that year. I helped to write that legislation and I have been greatly disappointed that through past years we have been unable to raise the compara-

bility pay for employees, postal and classified. This bill reaches that and I shall discuss it briefly.

To make the 6-percent pay increase for our postal employees and the 4.5-percent pay increase for classified, Foreign Service, and Veterans' Administration professional employees effective October 1, 1967, is to make amends to these employees in some small measure for the delay of which they have been the victims for 5 long years.

The Federal Salary Reform Act of 1962 made the solemn promise that "Federal salary rates shall be comparable with private enterprise rates for the same levels of work." We must preserve this principle of comparability of Federal pay with that in private industry, but we cannot do it by contributing needlessly to the lag which exists between Government and industry pay. We are trying to close that gap and we can do it only by making these catchup annual increases available to employees at the earliest date possible. This we have done in this particular legislation.

The President in his message to Congress last April made the admission that to close the comparability gap in 1 year "would require an average pay increase of 7.2 percent." In view of "today's fiscal and economic conditions" the President recommended a 4.5-percent pay increase for civilian employees effective October 1, 1967.

The bill which we bring here today provides a 6-percent increase for postal workers in the first year and a 4.5 percent for classified workers in the first year. The following year postal workers will receive a 5-percent increase and classified workers not less than 3 percent and whatever is necessary to bring them to full comparability.

There is no incontrovertible evidence that economic conditions in this country have so deteriorated or have reached such an acute state of impending national disaster that Congress should fail to live up to the recommendation of the President and to fulfill its own promise of making this 4.5-percent pay increase effective no later than October 1 of 1967.

These official annual statistical surveys have indicated that a certain percentage of pay increase should be enacted. Repeatedly we have scaled this percentage down for one reason or another, always with the implied promise that "this is not the year, but next year we will give you what you deserve." Certainly the time has come to put an end to these broken promises.

Comparison of the pay line based on the 1966 BLS salary survey with actual salaries in 1960, prior to enactment of the comparability principle, shows that a year ago classified salaries lagged behind industry from 2.3 percent in GS-3 to 14.2 percent in GS-15. The gap was not all in the top-most grades. It was 6.6 percent in GS-7, 9.3 percent in GS-9, and 10.5 percent in GS-11.

This meant that in February-March 1966 an increase of 8.2 percent was needed to raise salaries on an average to comparability. Meanwhile, clerical salaries alone in private industry have increased an average of 4.4 percent. Since professional and administrative salaries were shown to have increased

in greater proportion than clerical pay, the intervening increase during the year since February–March 1966 was estimated as 5.5 percent.

Mr. President, I shall now turn to the other phase of the bill that deals with postal rates, I agree fully with the statement of Postmaster General O'Brien who said this was the most complex postal rate bill ever submitted to Congress. Again I commend the distinguished chairman of the committee for his untiring efforts in bringing this bill to the floor of the Senate. It is a real achievement and represents one of our most difficult proposals.

I have always felt that the Post Office was a public service operation. I have never shared the view of those people who are concerned about the operation from a fiscal standpoint.

I stated earlier this afternoon that the deficit in the Post Office was \$1.2 billion.

I further stated that with these increased rates and the increased pay we are voting in the pending bill, that on a 3-year phase, which is the rate extended in this bill on postal rates, and the pay bill, that the deficit on June 30, 1970, will be \$1.2 billion.

I firmly believe that and I have no doubt, based on past experience in the Department—and this was not the fault of the Department, it is a factual situation—that will prevail. I am not greatly concerned about it because I feel the Department is the one public service operation of our Federal Government.

For that reason I am hopeful that while we increase these rates it will make an effort to reduce them for it is still a public service operation for our people.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. MONRONEY. In that figure of \$1.2 billion the Senator is not deducting for the well-established public service allowance which is today running \$620 million, is he?

Mr. CARLSON. No.

Mr. MONRONEY. It would be \$1.2 billion minus \$620 million in public service.

Mr. CARLSON. The Senator is correct. I did not mention that allowance.

Mr. MONRONEY. The public service feature is over \$600,000. We could eliminate the necessity for that by discontinuance of rural free delivery, which we did not do, or discontinuing fourth- and third-class post offices and several other statutory public service exceptions, and those services which have features for dissemination of nonprofit newspapers and magazines, and books which are charged to public service.

Mr. CARLSON. The Senator is correct and I am sure he would agree those are items we would not want to in any way place a charge on which would require full payment.

Mr. MONRONEY. So the net deficit is after deducting \$620 million. With the increase in mail, the public service cost goes up because more mail is being delivered to more places, in rural areas and elsewhere.

While the figures sound large overall, when one considers that this is a deficit of \$620 million, we will see by considering \$6 billion-plus the total expense

of operating the Post Office and 82 billion pieces of mail a year, which is going up at the rate of 5 percent, one gets to a percentage of operation loss that is not excessive considering the vast volume of mail being distributed and the vast cost of human labor and the tremendous number of things that have to be done by a pair of hands and a pair of eyes that sort and handle these pieces of mail a great many times between the time it is mailed and the time it is delivered.

As much as I want to see us on an even balance and in the black, we will be a half-billion dollars in the black after the first year's operation and we will drift, after the other two pay increases, to a deficit not as large as we experienced this year.

Mr. CARLSON. I fully agree with the statement just made by the distinguished chairman of the committee.

The VICE PRESIDENT. Will the Senator yield for an appointment by the Chair?

Mr. CARLSON. I yield.

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, under the provisions of Public Law 74-170, appoints the following Senator to attend the Interparliamentary Union meeting, to be held at Rome, Italy, on December 3-9, 1967: Senator Moss.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the text of the bill (H.R. 2275) for the relief of Dr. Ricardo Vallejo Samala, with an amendment, in which it requested the concurrence of the Senate; and that the House agreed to the amendment of the Senate to the title of the bill.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H.J. Res. 936) making continuing appropriations for the fiscal year 1968, and for other purposes, and it was signed by the Vice President.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. CARLSON. Mr. President, we have before us this bill in which there were disagreements. I shall discuss them briefly. Tomorrow I shall offer an amendment which is at the desk and has been printed in regard to the mailing of literature by nonprofit organizations; such as, veterans' organizations, church or-

ganizations, labor organizations, and some rates on third-class mail.

Mr. President, one of the most heartening things to me in my almost 20 years of experience on the Post Office and Civil Service Committee, two of which I had the pleasure of serving as chairman, was in seeing the growth of what I believe is the national press of the country—magazines. Magazines are the only medium of communication in the print field that are nationally circulated and provide a truly national point of view. This country has a magazine press that is unequalled in any country in the world.

Several years ago, the Canadian Government discovered to their chagrin that they also needed a magazine industry comparable to ours and appointed a royal commission which studied the problem over a several-year period, issuing a report emphasizing the need for government programs, subsidies and penalties, to insure the development and continuance of Canadian magazines which would present a Canadian point of view. We can be thankful that we already have such a system of communications which has, in large part, been the result of wise Government policy towards postal rates for second class.

I get very discouraged with those who argue that magazines are not paying their way and should pay more. The fact is, that if there is any subsidy for magazines, it is a subsidy for readers and not for publishers. Publishers offer magazines to subscribers for prices which permit the maximum readership. If publishers were required to pay their fully allocated cost as some advocate, the price of subscriptions would rise to the point that many readers could not afford the magazines they now read and enjoy. I think that would not be in the best national interest.

As example of the value that Government places on magazines, I would like to point out a statement that Postmaster General O'Brien issued last July when he announced the publication of the first issue of *Postal Life*, a magazine for the Nation's 605,000 career postal employees. This is a periodical which is sent on a bimonthly basis to the home of each career employee. In announcing the publication, the Postmaster General said:

We feel that our postal community . . . ought to be served by its own journal. Our objective is to promote understanding among all parts of the postal establishment and to emphasize everyone's share in our responsibility to provide the best possible mail service.

Other agencies of Government also utilize the magazine form effectively. The U.S. Department of Health, Education, and Welfare offers a monthly publication called *American Education* for which it sells subscriptions. It also offers a bimonthly journal called *Welfare in Review* and monthly publications such as *Aging for Older Americans* and *Pace* discusses creativity in education. The Public Health Service publishes a monthly journal called *Public Health Reports*, all of which are designed to serve a magazine purpose for magazine readers and published by the Government.

The Post Office Committee has approved a rate schedule for second class

which we believe is equitable and which will continue the valuable policy of promoting the growth of readership of printed matter in America. The committee has wrestled long and hard on this subject and we feel that the rate schedule in this bill for second class is one which will not stifle the growth of communications through magazines.

CONTROLLED CIRCULATION POUND RATES

Mr. President, in view of the fact that there is no minority report on the bill, I wish to clarify comments in the report with reference to controlled-circulation publications. It is not my intention now to introduce an amendment to restore the 15-cent pound rate proposed by the Post Office Department and passed by the House. It is my hope that this rate will be restored in the conference with the House, but there could be some conclusions drawn from the report which I feel that the legislative history on this bill should clarify.

There are two types of controlled-circulation publications: Some do not pay as much postage as 3.8 cents per piece. Thus matter which is mailable at the third-class rate has been changed to the 1-cent minimum existing for controlled. The bill adjusts for this situation by raising the per-piece minimum to 3.8 cents. Included in this category are shopping guides, many of them addressed "occupant," and external house organs. The 3.8-cent-per-piece minimum has been appropriately phased over 3 years in the bill.

The other type are those which pay in excess of 3.8 cents minimum now, and are actually averaging 10.485 cents per copy, whereas the Department says it costs 9.1 cents to handle them. They are primarily industrial, scientific, and technical publications sent upon request of the recipient without charge by the publisher to persons qualified to receive them in specific industries. Steel magazine, for example, is not available, even for a subscription price, to a bakery executive. It is sent only to management personnel actively employed in the steel industry.

The reason that business publications of this type pay 10.485 cents per piece is that they have to pay the same 13.5 cents per pound postage rate on their editorial content as they do on their advertising, and the same statistics show that the average editorial matter in outstanding publications like Steel or Iron Age, which are controlled circulation, is 46.5 percent. This is practically the same editorial content as appears in second-class business publications, which have 47.1 percent editorial content for which they pay 2.8 cents per pound postage.

Now, obviously, there is a difference between controlled-circulation magazines and third-class matter. The controlled-circulation magazines are usually requested by the recipient; third-class matter is not so requested. There is 46.5 percent editorial content in controlled-circulation magazines; third-class mail is advertising mail exclusively. Thus nothing is to be gained by seeking to establish a 16-cent pound rate so that the controlled pound rate and the third-class pound rate are the same 16 cents rather than the 15 cents as proposed for controlled by the Post Office Department.

What we ought to be concerned about is whether or not controlled-circulation publications subject to the pound rate are paying their fair share of postage; and they are. Therefore, they should not be increased more than the Department requested, which is from 13.5 cents to 15 cents per pound.

I think we have gone too far in establishing a 16-cent-per-pound rate and am hopeful that when we get to conference, the 15 cents proposed by the Post Office and approved by the House will come back to the Senate.

MACHINABILITY OF MAIL

Mr. President, there has been considerable testimony and discussion during House and Senate consideration of this legislation about nonmachinable, or odd size, or nonstandard mail. The Postmaster General testified before both the House and Senate committees as to the need for procedures to obtain more standardization, and thus greater "machinability" of mail. Both committee reports have explicitly referred to this matter by urging an in-depth study of all aspects of standardization in which the Department, the Congress and industry would participate.

But, it seems to me, there is one question which is unresolved, or at least ambiguous, at this final stage of the legislation. I refer now to bulk third-class mail only and the specific question of whether the Department intends to proceed by administrative order to regulate what nonstandard mail can and cannot qualify for bulk third-class rates, or whether the Department will await legislative direction by the Congress.

I recognize that the House and Senate reports recommend legislative action prior to any administrative action. And Congressman OLSEN has already started hearings on standardization in his subcommittee. But the Postmaster General indicated in his Senate testimony that he intends to go forward with a proposed regulation on nonstandard bulk third-class mail. And, as recently as Tuesday, November 21, Assistant Postmaster General Nicholson stated unequivocally at an industry meeting that the Department would develop a proposed regulation early in 1968 and probably promulgate it for comment and review sometime in the spring. The regulation would then become final later in the year. Clearly Mr. Nicholson does not intend to await congressional hearings and legislative direction.

This I think is unfortunate, as the affected industry is entitled to better consideration than this.

The Senate committee report recognizes the authority of the Postmaster General to proceed by regulation in this area. But it, as well as the House committee report, recommends that the Postmaster General withhold exercise of this authority until the Congress has acted.

I would hope that no proposed regulation will be promulgated unless and until the Congress has acted.

Mr. President, again I want to state that it has been a real pleasure to have served with the distinguished chairman and the other members of the committee

in bringing this most complex piece of legislation to the floor of the Senate dealing with postal rates. It is one of the finest pieces of legislation we have ever passed for the Federal workers of this Nation, because we have brought comparability to the legislation for the first time in our Nation's history.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. MONRONEY. I want to express my appreciation for the almost 100-percent attendance during the entire period of the markup that we were fortunate to have. The minority members were there in full attendance, as were the majority members, on almost all occasions. We worked early and worked late, having in mind that time was of the essence. We wanted the Senate to be able to take up the bill so that we would have enough time for a conference in order to get both Houses to approve it and get it signed by the President.

I was happy that, through cooperation, we were able to fix an October 1 retroactive date. Our target is that the benefits of the pay increase will go into effect for the pay period preceding Christmas, so the men who bear the brunt of the Christmas rush in their appointed rounds will feel that a grateful country appreciates the trustworthy, efficient, and loyal dedication to their duties by the many who, day in and day out, in many menial tasks, do not have quite the opportunity that people in private industry or even in the classified service have.

The classified employee will also receive a pay increase of 4.5 percent, with the same retroactive date.

Beyond that, I may say that the distinguished ranking minority member of the committee, and all the minority members of the committee, as well as the majority members, unanimously were anxious to incorporate what I think is one of the most important titles in the bill, and which was the least controversial. That is the establishment of a more realistic life insurance program. We tried to do it twice previously, but, unfortunately, the measure ran into a Presidential veto due to the costs involved.

By unanimous action, we were able to provide in the bill a means of security for the widows and children of young men who have sacrificed social security benefits and dependent child care available under that program, by a provision under which the Federal employees will have available the benefits of protection to a greater extent than they would now have in the event of untimely death of employees who died within the first 6 or 7 years of their employment. Such survivor benefits for the younger postal workers are now inadequate as compared with the kind of social security benefits that would flow to the bereaved dependents under that system. I think this is a great forward step.

When we consider that it took about 7 months from the time of the reconvening of Congress in January to get this bill to the stage it was in at that time, when we consider the normal mortality of legislation, with nearly 3 million Federal employees involved, we know

there would be a tremendous loss of benefits that these employees would be entitled to with the effective date taking place sometime early in December.

So I want to express my appreciation for the wisdom of the members of the committee in going into these matters so well.

I am deeply grateful for the total cooperation we have had, and laying politics aside, in getting, first, the money to pay for the benefits, and, second, the comparability principle that we promised so long ago, with its beginning effects.

Without the cooperation of the members of both parties, we would not have been in this position.

We had the greatest assistance from the former chairman of the committee [Mr. CARLSON], who formerly ran that committee with great ability and great consideration, in considering the income and the necessary wage cost. He contributed a monumental portion of the task of the committee which, I think, resulted in a bill that raises more money with less pain than any postal pay raise bill we have had.

The Senator from Kansas [Mr. CARLSON] and I served together in the House. He was a member of the House Ways and Means Committee under the chairmanship of Representative "Muley" Doughton, who said that the best tax bill we can have is like picking a goose to get the "mostest feathers for the leastest squawk."

Under this bill, the direct mailers will pass the additional cost on to their advertisers. The direct mail industry does not get hurt. Instead of sending out 10,000 pieces of mail, they may send only 9,000, without spending any more money, and perhaps not angering so many people. This takes care of a large portion of the nearly \$1 billion increase in revenues.

I go back to the first-class mailers, who pay 6 cents instead of 5 cents. For that, however, instead of delayed mail, they will get faster delivery of mail. They will get for 6 cents the equivalent of what is now 8-cent mail, and which, when the bill is passed, will become 10-cent mail. I think the equities of the bill would show that it is a good Christmas bargain for the classified and postal employees as well as the Post Office Department and the public.

Mr. CARLSON. Mr. President, I just wish to conclude by stating that it has been a real privilege to work with our distinguished chairman of the committee. Our associations go back many years, to the House of Representatives, where we had cordial relations and great cooperation between the States of Oklahoma and Kansas, as far as the House leadership was concerned. It has been a privilege to serve with him in the Senate these many years.

This bill, in my opinion, is a milestone in Federal employee legislation, and it is a milestone also in postal legislation. At the same time, we will have some problems in future years.

I was pleased that the distinguished Senator from Oklahoma mentioned the insurance provision of the bill. I think that is one of the fine features of the

bill. We tried, as the distinguished Senator well knows, to write such a provision into bills on two previous occasions, and they were vetoed. We have written into the bill a section which I hope will not run into that difficulty, so that our Federal employees will benefit, because it is all inclusive.

I yield the floor.

The VICE PRESIDENT. The bill is open to amendment.

AMENDMENTS NO. 471

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendments No. 471.

The VICE PRESIDENT. The clerk will state the amendments.

The legislative clerk read the amendments, as follows:

On page 142, strike out lines 12 to 22, inclusive.

On page 142, at the beginning of line 23, strike out "(c)" and insert in lieu thereof "(b)".

On page 135, line 13, strike out "and (b)".

On page 135, line 21, strike out "224(c)" and insert in lieu thereof "224(b)".

The VICE PRESIDENT. Does the Senator ask unanimous consent that the amendments be considered en bloc?

Mr. WILLIAMS of Delaware. Yes.

The VICE PRESIDENT. Without objection, the amendments will be considered en bloc.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

The amendment is simple. It strikes from page 142, lines 12 to 22, inclusive.

The sole purpose of the inclusion of those 11 lines in the bill is to provide an increased retirement annuity for one individual, a former Member of Congress. In my opinion the bill before us was intended to be a postal rate increase and pay raise bill. It is not a bill in which such a provision as I propose to strike should have been included in the first place, even if there were merit to the proposal, a point which I question seriously.

Under existing law this one individual, a former Member of Congress, upon his retirement from his present position would be eligible for retirement benefits in the amount of \$18,000 a year. Certainly that is not a bad retirement annuity in any language. But under the language of the bill the retirement annuity of this individual would be raised to \$26,400, an annual increase of \$8,400.

Mr. President, I ask unanimous consent that excerpts from a letter dated April 15, 1966, from the Civil Service Commission, commenting upon this subject, and a letter dated November 27, 1967, also from the Civil Service Commission, be printed at this point in the RECORD. They confirm the point I have just made.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair). Without objection, it is so ordered.

EXCERPT FROM LETTER OF APRIL 15, 1966

Present law limits Judge Kilday's annuity benefit to 80% of the \$22,500 yearly salary in effect when he left Congress. Section 505(a) of H.R. 14122 amends the law to limit the basic annuity benefit to 80% of final pay

received (now \$33,000) for his service performed after leaving Congress, as a Judge of the U.S. Court of Military Appeals.

If Judge Kilday completes his term which expires on May 1, 1976, his rate of annuity under present law will be about \$1601 a month. Section 505(a) of H.R. 14122 would provide him an annuity of about \$2304 a month.

U.S. CIVIL SERVICE COMMISSION,
BUREAU OF RETIREMENT AND INSURANCE,
Washington, D.C., November 27, 1967.

Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: This is in response to your telephone inquiry of today asking what effect an amendment contained in H.R. 7977, pending pay legislation, will have on the future annuity of Honorable Paul J. Kilday. The information in this letter is in response to your specific request and is for your official use as a Member of Congress.

On September 24, 1961, Mr. Kilday retired as a Member of Congress, and on September 25, 1961, he became a Judge of the United States Court of Military Appeals. When he leaves the Court, his annuity will be computed to include his service as Judge, and the computation will be based on a high-five average salary which will include salary received as Judge. However, under present civil service retirement law, Judge Kilday's annuity benefit may not exceed 80% of the \$22,500 yearly salary which was in effect when he left the Congress. Section 224(b) (1) of H.R. 7977 would amend the retirement law to fix the maximum basic annuity benefit at 80% of the final pay received (now \$33,000) for his Judge's service.

While this analysis relates only to Judge Kilday's case, the amendment would also apply to any other former Member of Congress meeting the requirements specified therein.

The policy position of the Commission is that this provision of H.R. 7977 would correct an unintended restriction on the basic annuity of a former Member of Congress, the proposed change has merit, and we would not object to its enactment.

Sincerely yours,

ANDREW E. RUDDOCK,
Director.

Mr. WILLIAMS of Delaware. I shall quote from the letter signed by Mr. Andrew E. Ruddock, Director of the Bureau of Retirement and Insurance, Civil Service Commission, under date of April 15, 1966:

Present law limits Judge Kilday's annuity benefit to 80% of the \$22,500 yearly salary in effect when he left Congress. Section 505(a) of H.R. 14122 amends the law to limit the basic annuity benefit to 80% of final pay received (now \$33,000) for his service performed after leaving Congress, as a Judge of the U.S. Court of Military Appeals.

If Judge Kilday completes his term which expires on May 1, 1976, his rate of annuity under present law will be about \$1601 a month. Section 505(a) of H.R. 14122 would provide him an annuity of about \$2304 a month.

It is clearly pointed out that under present law the maximum annuity that this former Member of Congress could obtain would be \$18,000 a year whereas the provision I propose to strike out would raise the annuity to \$26,400 a year, an annual increase of \$8,400.

I realize that we have just passed Thanksgiving and that we are approaching the season of Christmas, but this is not the period or the time, particularly

in light of the budget conditions under which the Government is operating, to provide what in effect would be a \$100,000 Christmas present for any one individual, even though he be a former Member of Congress.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MONRONEY. If a House employee were offered a better job in an executive department because of his competency or because of his special understanding of a particular subject, and he moved from a salary of \$10,000 to a salary of \$20,000 a year, he would be entitled to the higher retirement benefit if he were paying into the retirement fund accordingly, as Judge Kilday has done, would he not?

The retirement annuity in the civil service is based on the employee's 5 highest years' earnings, and congressional retirement is based upon the same principle. The employee pays the same amount, and he receives benefits based on the 5 highest years' earnings. If he had been an employee of the House and received a salary one-third higher in the executive branch, he would be entitled, as an employee, to enjoy that increase. The Government would not lose that money. It would be paying the same percentage into the fund. The employee would be entitled to his rights in the retirement fund, because he would still be working for Uncle Sam.

Mr. WILLIAMS of Delaware. Mr. President, I reply that if a man is working for the Government, whether he be a Member of Congress or a man employed in the executive branch, if he leaves that job to accept a position at higher pay he takes into consideration at the same time any change that that action may effect in his retirement benefits.

Mr. MONRONEY. He could have it go up as well as down.

Mr. WILLIAMS of Delaware. Representative Kilday knew exactly what the retirement law was when he accepted the position. He received an increase in salary of several thousand dollars more than he had been getting. He also realized that under the law applicable then as well as today, the maximum retirement benefit he could receive would be 80 percent of his highest congressional salary, just as a man who leaves Government and goes out into private industry. He too accepts changes in retirement benefits.

I am only quoting the Civil Service Commission when I state that this provision affects, as far as it knows, but one man in the entire United States.

Certainly, out of 2,900,000 Federal employees we should not single out one man to give him something to which he was not entitled under existing law. He accepted his appointment knowing that he was giving up certain rights, perhaps, in another area, but to offset this he was paid a higher salary.

When this matter was first brought to the attention of Congress a few years ago, I offered an amendment to delete it from the bill. At that time the identical provision was deleted from the bill when it was in committee, of which the Senator from Oklahoma was a member.

It was my understanding that at that time the proposal was not supported by the administration. Today the administration is supporting the proposal, but it does not make any difference to me whether it did or did not support it then or whether it supports it or is against it now. As I have stated, I think it is wrong. Regardless of whether the man is a former Member of Congress and regardless of the fact that he comes from the great State of Texas, as much as I respect both of those circumstances, he is entitled only to the benefits provided under existing law, and as far as I am concerned I shall vote against this \$100,000 Christmas present for one individual employee.

Mr. MONRONEY. Mr. President, I think the Senator is indulging in a form of rhetoric which ill becomes him. This is an automatic privilege of other employees; why should Senators and Representatives have benefits less liberal than those we extend to others? If an employee downtown with 20 or 30 years' service, we will say, at a salary of \$10,000, gets himself elected to Congress, he comes up here and participates in the congressional retirement program; but he would also receive the benefit, under the regularly established civil service retirement system, which parallels, largely, our congressional retirement, of credit for his previous years of Government service, with his service downtown added to his service up here.

We are doing no more, at all, for Judge Kilday than we would be doing under similar circumstances for an ordinary employee. I do not see why Members of Congress, though we do enjoy certain privileges, should be discriminated against here. This is certainly not a Christmas present because he has paid in the full amount for all of his service. If he had stayed in Congress, he would have been paying in the same amount, and would have had the salary of \$30,000. He moved downtown where, because of his great expertise in military affairs—he served as ranking minority member of the House Military Affairs Committee—he certainly was an apt and just choice of the President for his present high office of military justice.

I believe the existing law is discriminatory against him, and I think the distinguished Senator from Delaware is intentionally seeking to discriminate against a former Member of Congress, who is entitled to equity the same as any of the other 2 million-plus Federal employees.

The reason we did not accept the amendment before was because we had never heard of it. This time, it was discussed at length in the committee, and received overwhelming support.

Mr. WILLIAMS of Delaware. If the Senator will yield, the committee did accept my amendment a few years ago and deleted that section from the bill.

Mr. MONRONEY. That is right, because we had had no discussion on the matter except on the floor.

This time, we had the report from the Civil Service Commission official in charge of the retirement benefits, we learned the facts, and the approving vote was substantial.

Mr. WILLIAMS of Delaware. I have already stated that the administration today supports it, although I understand that the first time it did not.

Mr. MONRONEY. The bipartisan committee also supported it, after learning more about it. Obviously, we did not previously accept a floor amendment that we knew nothing about. That was the reason it was previously deleted, to provide an opportunity for further study. On further study, we found it was completely justified.

We are only giving a former Member of the House of Representatives, whose abilities qualified him for another job, the same rights he would have enjoyed if he had stayed on in Congress.

Mr. WILLIAMS of Delaware. The committee bill is giving the man something he cannot get under existing law. If the law is changed as the committee proposes it is worth an additional \$700 a month in retirement benefits to him.

Why seek out this man for special treatment? We have a lot of other worthy people, if we want to single people out and amend the retirement system in their favor, who will be retiring at much less than \$18,000.

Based on a life expectancy of 12 years after retirement this \$8,400 increase will be worth about \$100,000.

Lest the record be confused, I add that had Judge Kilday stayed in Congress until today, until 1970, or until 1980, he could not have drawn \$26,400 a year in retirement benefits under the Congressional Retirement Act. With 40 years of congressional service he could draw but 80 percent of his highest 5-year average salary; he could not reach this proposed amount of \$26,400. In addition to that, he would have been contributing more. Under this bill he draws more by going downtown than if he had stayed in Congress, and much more than he could receive under the present law, yet he will be contributing far less to the retirement fund.

I am not trying to discriminate against anybody; but certainly opposing giving \$100,000 to one individual does not mean you are trying to discriminate. After all, let us remember, there are 100 million taxpayers in this country, and they, too, do not want too much discrimination against them.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, the distinguished Senator from Delaware pitches his case upon the fact that the rights of only one man are affected.

I say that the rights of one man are important in a democracy, in a government of laws and not of men, and the rights of that one man should be cherished in the legislative branch as well as in the courts.

There are 2,900,000 employees in the executive department of the United States; and 2,899,999 of them are entitled to retire at 80 percent of their salary for their highest 5 years.

There is just one man out of that 2.9 million who cannot retire at 80 percent of his highest pay for 5 years. And he

happens to be Judge Kilday of the Court of Military Appeals. I say that he should be treated exactly like the other 2,899,999 employees of the executive department.

That is the substance of the provision. He is discriminated against in the law. All the measure does is to bring him up to the level of the others and to afford him equal treatment with the others in the executive branch.

The Court of Military Appeals is not a branch of the judiciary. It is a branch of the executive department. It is under the Defense Department.

That court was created as a result of protests from World War II concerning courts-martial. At the completion of World War II, there were 16 million men in uniform. That court passes on court-martial appeals. The members of the court are all civilians. They are not judge advocates. There is an appeal from the Defense Department.

This man is in the employ of the executive department. This provision came before our committee last year. It had been approved by the House. However, when it came before the Post Office and Civil Service Committee it was said: "Let us put it off until next year. We have had no time to study the matter."

We placed the provision in the bill this year because we have had an opportunity to study it. The measure was reported from the committee by the unanimous vote of every committee member, Democrat and Republican. The provision was not drafted to apply to this one man. It would apply to any Member of Congress who subsequently goes to the executive department after having been a Member of Congress for a while.

I think that when the Constitution provides that Congress should be a coequal branch with the executive, it means just that. That is the only way that we will have a democratic government. If the Congress does not make itself a coequal branch, it will end up as an appendage dangling from the executive.

I marvel when I see the bills that are sent here by the administration with the message that we should pass them. It is our job to pass bills. However, we have a mere 5,000 employees, and the executive department has 2.9 million employees.

The erosion of power comes about because of the inaction of Congress. Congress refuses to use the power. It gives vast power to the executive.

Here again the amendment offered by the distinguished Senator from Delaware would kick down a former Member of Congress to something lower than the 2.9 million employees of the executive branch.

I think that a Member of Congress is entitled to equal treatment with employees of the executive branch.

The amendment of the distinguished Senator from Delaware would take that man from under the protection afforded by the bill and make an ex-Member of Congress something lower than the 2.9 million employees of the executive branch who had not served in Congress. Members of Congress would not have equality of treatment with employees of the executive branch.

Let me give an example. This man can draw only \$18,000 a year maximum

retirement, regardless of how long he served. He was a Congressman for 22 years and 8 months. He has been there more than 6 years. I have a letter addressed to me by the U.S. Civil Service Commission under date of November 28, 1967, giving an example of this kind of discrimination and how it works.

We can have an employee here as a congressional employee, working in our office or for a committee for 25 years. Then he can go to the executive branch and work 6 years for a salary of \$27,000. And that is not a high salary in the executive branch. That would be a high salary for our employees here, but not downtown.

That man could get a GS-18, and many of them do. The Senators know how the executive branch bleeds our competent employees away from us. If that man goes downtown to the executive branch and works for 6 years at a salary of \$27,000, level 4, his retirement would be \$18,765 a year.

Our congressional employees could go downtown and work 6 years under the executive department and draw more retirement than a man would draw after having spent 20 years in Congress.

A letter carrier with 30 years' seniority, not having received more than \$7,000 a year, could get a job under the executive branch for \$30,000 a year for a 10-year period, and he would have an annuity of \$27,620 a year, computing his executive annuity on the 5 highest years. He would be paid far more than would a former Member of Congress who had served here for one-fifth of a century, more than 20 years, as Judge Kilday did.

Rank discrimination is practiced under the law against former Members of Congress.

All the committee proposal does—and it was reported unanimously by both Republicans and Democrats—is give an ex-Member of Congress equal treatment with those employees of the executive department, with those 2,900,000 people.

I have a letter addressed to me under date of October 12, 1967, from Mr. John W. Macy, Jr., Chairman of the U.S. Civil Service Commission.

The letter reads:

This is in response to your request for my views with respect to a proposed amendment to pending pay legislation which would authorize payment of future annuity to Honorable Paul J. Kilday at a rate higher than is permitted by existing law.

On September 24, 1961, Mr. Kilday retired as a Member of Congress, and on September 25, 1961, he became a Judge of the United States Court of Military Appeals. When he leaves the Court, his annuity will be computed to include his service as Judge, and the computation will be based on a high-five average salary which will include salary received as Judge.

The problem is that current law limits his annuity to 80 per centum of the final salary he received as a Member of Congress. Section 505(a) of the bill H.R. 14122, 89th Congress, as passed by the House of Representatives on April 6, 1966, contained language which would have authorized future annuity up to 80 per centum of his final salary as a Judge.

That bill was passed last year. When the measure came to us, due to the shortness of time, we had not studied the matter. We struck it out. We have studied the matter this year, and the committee

unanimously voted in favor of this provision.

I continue to read from the letter:

In testifying before the Senate Committee on Post Office and Civil Service on April 20, 1966, I expressed the view that this provision of H.R. 14122 would correct an unintended restriction on the basic annuity of a former Member of Congress, that the proposed change has merit, and that we would not object to its enactment.

My position has not changed and I would not object to approval of this item at this time.

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

I have other examples here. There are people who serve for less pay and perform less arduous duties, and because they are in the executive department they end up with a higher annuity. The law should provide that we should treat ex-Congressmen who go into the executive department the same as we treat other people.

We will not have Congress treated as a coequal branch of the Government unless we are willing to treat ourselves as being equal with members of the executive department.

I think this effort to downgrade Congress should end.

I shall support the bill reported by the committee because it is just. If only one man is being discriminated against, we should end that discrimination. The chairman said that this was unintended in the law.

If we do not get equal rights with the 2,900,000 employees of the executive department, that is more reason to pass the bill.

Merely because only one man is being discriminated against is no reason not to vote for the measure. We should provide justice even if it be only for one man. Surely justice should be done to everybody, even if only one man is involved.

There might be others in the future. There could be others in the future. It could be me or the Senator from Delaware.

This measure has had the unanimous support of the committee. We put it off for a year. The House already passed the measure.

I urge the Senate to support the committee on this measure.

Mr. WILLIAMS of Delaware. Mr. President, I will delay the Senate for only a few minutes.

Much has been said about discriminating against this man because he is a former Member of Congress. That is absurd.

I call attention to the fact that under the existing law, based on the existing salary schedule, no Member of Congress can collect in excess of 80 percent of his salary, regardless of how long he may have served or how much he may have contributed to the funds.

Our congressional annuities are based on 2½ percent per year. It would take about 32 years of congressional service for a man to reach a retirement maximum of 80 percent.

I cite the case of our good friend, the senior Senator from Arizona [Mr. HAYDEN], who has served in the Congress

for 50 years. He still contributes into the fund even though he reached his maximum benefits years ago, but we are not changing that provision.

All congressional Members are under this restriction as to maximum benefits. That is the law. We are not changing that.

In addition, it has been argued that a man downtown can count 40 years in determining his retirement credit whereas Members of Congress cannot count but 32 years. That is because a Member of Congress does not need 40 years to reach the 80 percent. He reaches the 80 percent at 32 years of service. Downtown, regular employees must compute the first 5 years at 1.5 percent, 5 years at 1.75 percent, and the other years at 2 percent; thus it takes 40—some years for a man in the executive branch to reach the 80-percent maximum.

In this case we have a former Member of Congress who was contributing to the retirement fund on the basis of the 7.5 percent of his salary, which is a higher contribution into the fund, and he goes downtown and moves immediately into the 2-percent bracket without going through the lower stages with which every postal worker and every other civil service retiree must comply.

Mr. LAUSCHE. Mr. President, may we have order?

The ACTING PRESIDENT pro tempore. The point is well taken. The Senate will be in order.

Mr. WILLIAMS of Delaware. Mr. President, the committee proposal would amend the retirement law so that this one man can use the benefit of the higher wage base downtown but use the benefit of the higher formula in Congress. The committee bill would allow him to use the maximum benefits of each retirement system, put them together, and walk out with a \$26,400 retirement. The maximum retirement which any Member of Congress can receive today, assuming that he serves continuously for the same period of time, would be \$24,000. Yet, this man would draw \$26,400. There is a \$2,400 discrepancy on that point alone; and I ask, how can such special treatment be justified?

Had he served this same number of years in Congress he would have paid more into the retirement fund than he has by serving downtown but collected less retirement benefits than provided for in this committee bill.

The Senator from Texas argues that the adoption of the committee amendment would provide equity. If that is what is called equity I shudder at what would happen to our Federal budget if we gave that type of equity to all the other government employees.

You cannot escape the fact that the amendment in the committee bill, which a few years ago was opposed by the administration, but which is now supported by it, if enacted would provide for this one man, a former Member of Congress, an increase in his retirement benefits beyond what the existing law at the time he took this job would have provided and beyond what the law provides. The committee would give him a bonus of \$8,400 a year in his retire-

ment benefits, and that is quite a Christmas present for anybody, even a former Member of Congress. It is quite a Christmas present even in the great State of Texas.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Ohio.

Mr. LAUSCHE. If the special beneficiary of the provision about which the Senator from Delaware is speaking had served in Congress for the same length of time that he has served in a combined manner in the civil service and in Congress, would he be entitled to the amount that will be given to him if the pending amendment is agreed to?

Mr. WILLIAMS of Delaware. He would not. In addition, during the time of his Congressional service he would have paid more into the retirement fund than he has paid where he is now working.

Mr. LAUSCHE. If he served in Congress constantly during the time that he served both in Congress and in civil service, what would be the maximum benefit that he could receive?

Mr. WILLIAMS of Delaware. If he had served in Congress all during that period?

Mr. LAUSCHE. Yes.

Mr. WILLIAMS of Delaware. Based upon the \$30,000 salary?

Mr. LAUSCHE. Yes.

Mr. WILLIAMS of Delaware. He could draw a maximum of \$24,000 a year when he retires, whether he retires in 1960, 1970, or 1980, under existing law. That is on the assumption he would have 32 years or more of congressional service.

Mr. LAUSCHE. How much would this special beneficiary receive above the \$24,000 that the Senator from Delaware or I could have received if we had served the same length of time?

Mr. WILLIAMS of Delaware. Two thousand four hundred dollars a year extra under the committee bill and \$8,400 more than under present law.

Mr. LAUSCHE. The next question is, Would he have paid into the retirement fund the same amounts that we are required to pay into the retirement fund to receive the \$24,000?

Mr. WILLIAMS of Delaware. Yes, and that would have been more than he has paid in the place where he is working.

Mr. LAUSCHE. No.

Mr. WILLIAMS of Delaware. Yes.

Mr. LAUSCHE. Would he have paid more or less into the fund?

Mr. WILLIAMS of Delaware. Had he stayed in Congress and not accepted the job downtown and assuming he had served in Congress continuously for the same length of time he will be serving downtown, including his projected service, he would have paid more money into the fund, under the congressional formula and would retire on less benefits than he will get under the Senate bill.

Mr. LAUSCHE. The converse is that having paid less money into the retirement fund, he will receive more retirement benefits than the others of us who have paid more money into the retirement fund and who will receive less retirement benefits.

Mr. WILLIAMS of Delaware. That is true.

I do not know of a single combination of factors which could be put together for another man working in Government—a combination of congressional service and regular civil service or all congressional service or all civil service—which would result in the benefits the pending amendment would give to this man.

Mr. LAUSCHE. A further question: If he had remained in Congress, would he have been subject to the dangers of defeat?

Mr. WILLIAMS of Delaware. Surely.

Mr. LAUSCHE. When he was appointed to the judgeship, was he subject to the dangers of defeat?

Mr. WILLIAMS of Delaware. No. In addition, when he took the judgeship—which did carry with it some forfeiture of retirement benefits, if you are going to use this language—he took it at an increase in salary of several thousand per year over what he had been drawing. That was not too much of a hardship. I do not believe this individual has too much about which to complain in connection with the consideration he has received from the American taxpayers.

Mr. LAUSCHE. Is it not true that this individual, who would be the beneficiary of this provision in the bill, wants all the advantages that came to him as a judge and is unwilling to accept any of the disadvantages that attended him as a Member of Congress?

Mr. WILLIAMS of Delaware. If you call retiring a man with full retirement at \$18,000 a disadvantage, it is true. However, in my opinion, that is a rather liberal retirement.

As I have pointed out, as to the argument that he may have paid into the fund several years beyond the period which can be counted toward the increasing of his retirement, that is true of all Government officials in the executive branch and in Congress if they serve beyond the time in which they have established their eligibility for maximum benefits.

Today, a Member of Congress is entitled to the maximum benefits after 32 years of service, and the maximum is 80 percent. If he serves for 40 years he pays into the fund for the other 8 years without increasing his retirement benefits. But that is true with respect to 2.5 million Government employees. If they reach their maximum they continue paying into the fund. That is partly what keeps the fund as solvent as it is—although it is not too solvent.

Mr. LAUSCHE. Why do so many Congressmen seek appointment to judgeships, if the appointment to a judgeship carries such inordinate disadvantages and burdens as are claimed for this man from Texas, who is to have the special relief afforded by the pending amendment?

Mr. WILLIAMS of Delaware. I am not aware of a shortage of applicants for judgeships.

Mr. MONRONEY. Mr. President, one sometimes receives a great deal of misinformation on the Senate floor.

My distinguished colleague has spoken about judgeships. Quite often, Senators are appointed to judgeships. I am not a

lawyer, so I am not involved. Many Senator and Representatives are appointed. Perhaps we have supplied more than our fair share of legislators who go to U.S. district judgeships. But a man who is appointed to that position, if he is in Congress, is guaranteed a lifetime retirement at \$30,000 a year, with no contribution whatever. Not a cent. He gets back all he paid in as a refund under the congressional retirement system.

Therefore, when we talk about judges being favored, this man occupies what is tantamount to the supreme court of military appeals in the United States. It is not connected with our judiciary system. It is the supreme court in reviewing cases of some 3 million or more servicemen who appeal for justice. He was qualified because I served with him, and I know the ability of the man who was the ranking member and chairman of a committee in the House of Representatives. Because of this he was appointed.

His salary was not \$33,000 a year. It was \$25,500 a year, just \$3,000 over his existing \$22,500 a year as a Member of Congress. We are now paying \$33,000. The Senator from Delaware helped to pass that increase in the 1964 Salary Act. This was congressional action to raise the limits of this salary. For the 2,900,000-plus Federal employees we allow them to count the 5 highest years.

I hope there is talent in the House of Representatives and the Senate and that they will be elevated to Cabinet level and other high positions. This flow back and forth, I think, is important to the solidarity and justice we need on the courts and the understanding we should have.

I think there is no reason in the world not to extend this as a part of the law, not because it applies to the one man, but there will be other cases.

Mr. President, I see no reason to agree to the amendment. I hope the amendment will be strongly rejected. This was the unanimous position of our committee.

(At this point, the Acting President pro tempore assumed the chair.)

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LAUSCHE. How does the Senator justify paying to this man \$2,400 more than the position he had if he had stayed in Congress?

Mr. MONRONEY. In the first place, he could have stayed in Congress.

Mr. LAUSCHE. How does the Senator justify paying that?

Mr. MONRONEY. He does not have a permanent job there. This expires after a certain number of years and he has to be reappointed by whoever is president. It is not a lifetime judgeship. We gave freely the \$30,000 a year.

I do not think he should be discriminated against. At the time he accepted there was only a \$3,000 increase over the salary he received for the position he enjoyed in Congress, but he was called to a job that had this responsibility.

He is paying into this fund. One would think he is not paying a dime. He is paying 6.5 percent as is every member of the executive department. He paid 7.5 percent during his congressional years. That

is paid in. I venture to say he paid in a sufficient amount to guarantee amortization on a normal retirement policy.

To roll him back to \$20,000 I think is being discriminatory. I am getting a little sick and tired of two or three Members being afraid we might recognize the legislative branch as a coequal branch and deserving of coequal treatment. This is a case in point.

When we studied it, it seemed to be a just case and one that was recommended by the Civil Service Commission, and it was recommended by the committee.

Mr. LAUSCHE. Does the Senator concede if he had remained in Congress he would be receiving \$2,400 less than this bill will provide him for leaving Congress and taking another job?

Mr. MONRONEY. It might be interesting to the Senator from Ohio, and the Senator from Delaware, too, to find out he went down there at \$23,000 and not \$33,000. We prepared that. This was prepared in 1964 so the Senator's mathematics are incorrect right now. He only qualified on the 3 highest years. This is 1967. If it is calculated from today I do not know what it would be but it would be less than \$2,400.

Mr. President, we should reject the amendment. I do not think facts have been given to justify it. Other people will be sought to be appointed from Congress from positions such as the Committee on Armed Services, and those people are needed in the executive department.

Mr. YARBOROUGH. If Judge Kilday stayed in Congress after the new salary increase, he would draw \$24,000 in retirement. As it is, he can never draw over \$18,000 regardless of the job he holds in the executive department. The Court of Military Appeals is a branch of the executive department and not the judiciary.

The Senator spoke of the flight of Members of Congress to the Federal judiciary. If a person is appointed as a Federal district judge, he could serve 5 years, pay nothing in, and retire on full salary.

Mr. President, I have a question I wish to address to the Senator from Delaware. The Senator from Delaware stated that this was formerly opposed by the administration and the administration changed its position. We have no record of the administration ever opposing this. They supported it last year when the House passed it. If we are mistaken, we would like to see the papers where the administration ever opposed it. All the communications we have received indicate the Civil Service Commission supports this.

Mr. President, I wish to come back to the point that this is not a relief bill for one Member. This is coequal treatment to apply all the time in the future to Members of Congress, past, present, or future. They should be treated on an equal basis with 2,900,000 officers and employees of the Government and 5,000 members of our employees who might go downtown to work. We, the 535 Members in Congress, are the only people in the United States who can go to work for the executive department and be treated

to a lower scale than the others. We are the only ones who are blacklisted, which is an inadvertence, as Chairman Macy said. This affects 535 Members of Congress now serving, plus those who served in the past and those who will serve in the future, and it affords equal treatment with the other 200 million people in this country. We should no longer treat Members of Congress as people who are not entitled to the same treatment as others receive.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Delaware. On this question the yeas and nays have been requested, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia (when his name was called). On this vote I have a pair with the distinguished Senator from Maryland [Mr. BREWSTER]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Maryland [Mr. BREWSTER], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Indiana [Mr. HARTKE], the Senator from Alabama [Mr. HILL], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Minnesota [Mr. MONDALE], the Senator from Wisconsin [Mr. NELSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER], and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Pennsylvania [Mr. SCOTT] is necessarily absent.

The Senator from Iowa [Mr. MILLER] is detained on official business.

If present and voting, the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 36, nays 39, as follows:

[No. 352 Leg.]

YEAS—36

Aiken	Dominick	Mundt
Allott	Fannin	Murphy
Baker	Griffin	Pastore
Bennett	Hansen	Pearson
Boggs	Hickenlooper	Percy
Byrd, Va.	Hruska	Prouty
Cannon	Javits	Ribicoff
Carlson	Jordan, Idaho	Smith
Case	Kuchel	Thurmond
Cotton	Lausche	Williams, Del.
Curtis	McClellan	Young, N. Dak.
Dirksen	Morton	Young, Ohio

NAYS—39

Anderson	Hatfield	Montoya
Bartlett	Hollings	Morse
Bayh	Inouye	Moss
Brooke	Jackson	Muskie
Burdick	Jordan, N.C.	Pell
Church	Kennedy, Mass.	Proxmire
Clark	Kennedy, N.Y.	Randolph
Eastland	Long, Mo.	Sparkman
Fong	Long, La.	Spong
Gore	Magnuson	Stennis
Gruening	Mansfield	Tydings
Harris	Metcalf	Williams, N.J.
Hart	Monroney	Yarborough

NOT VOTING—25

Bible	Hayden	Nelson
Brewster	Hill	Russell
Byrd, W. Va.	Holland	Scott
Cooper	McCarthy	Smathers
Dodd	McGee	Symington
Ellender	McGovern	Talmadge
Ervin	McIntyre	Tower
Fulbright	Miller	
Hartke	Mondale	

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RANDOLPH and Mr. YARBOROUGH moved to lay the motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the balance of the day.

Mr. MANSFIELD. Mr. President, I have discussed the various possible proposals with some of the interested parties. The Senate will recall that the leadership stated earlier we would be here to a reasonably late hour this evening. It is my understanding that the distinguished Senator from Delaware [Mr. WILLIAMS] will offer at least one more amendment—he is willing to offer more, if the Senate desires it—on which there will be a yea and nay vote, and then we will go over until 10 o'clock tomorrow morning.

It is my understanding also that there is a good prospect that a consent agreement may be arrived at to go into effect tomorrow.

When this bill is disposed of, it will be immediately followed by the military pay bill.

ESTABLISHMENT OF A FEDERAL JUDICIAL CENTER

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives H.R. 6111.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 6111) to provide for the establishment of a Federal Judicial Center, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MANSFIELD. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. TYDINGS, Mr. ERVIN, Mr. HART, Mr. HRUSKA, and Mr. DIRKSEN conferees on the part of the Senate.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations and the Subcommittee on Labor of the Committee on Labor and Public Welfare both be permitted to meet during the session of the Senate tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORTED RESIGNATION OF DEFENSE SECRETARY McNAMARA

Mr. PELL. Mr. President, I have read with very real grief the press reports to the effect that Secretary McNamara is scheduled to leave the Defense Department. To my mind this will be harmful to our national interest and welfare. An analysis of his statements and a knowledge of the recent past make us realize that Secretary McNamara has been the steadiest and strongest voice of moderation amongst those who have been advising our President with regard to Vietnam.

President Johnson has said that it is not difficult to do what is right—the really difficult thing is to know what is right. And this is where the importance of those who advise our President and inform the President of their views becomes so important.

So far, too, the presence of Mr. McNamara has given a certain confidence to those of us who disagree with the present escalating course we are following in Vietnam. To me, at least, McNamara has been that individual in the President's War Cabinet most willing to entertain different ideas or viewpoints—and I say this advisedly—so that I know that I for one have always felt better that Mr. McNamara is where he presently is. If he should leave, I believe it would mean a very real hardening of position and increase in opposition of those who believe, as I do, that we should seek and accept a political solution to the problems of Vietnam that would represent the actual political forces in being in that unhappy country and that to arrive at such a solution we should cease bombing North Vietnam and deescalate in the South.

Moreover, I would appeal to Secretary McNamara that, no matter how weary he may be, he is not correct in resigning at a time like this when our country is at war—no matter whether or not it has been formally declared—and a war in the escalation of which he has played a role.

Finally, from our Nation's view, we all recall the warning President Eisenhower gave when he was leaving office to the effect that we must be wary of the military-industrial complex. Secretary McNamara has done a superb job of holding down this military-industrial complex, of mastering the intricacies of the

Defense Department and of ensuing the carrying out of our constitutional concept that our military forces should remain should remain completely under civilian control.

It does not take much imagination to imagine the events that would take place in Vietnam and China if we left the decisions to the military or the dangerous situation that could arise in the period of time while a new Secretary learned his job.

For all these reasons, I strongly urge that reconsideration be given to this move and that Secretary McNamara remain where he is—Secretary of Defense.

Mr. KENNEDY of Massachusetts. Mr. President, I would like to identify myself with the remarks of the distinguished Senator from Rhode Island.

Perhaps few States have been as adversely affected by the decisions of the distinguished Secretary of Defense in closing military bases as the State of Massachusetts, but I know I speak for all the people of that State in expressing a great sense of loss at the apparent decision that the Secretary of Defense will move to the World Bank.

I would like to identify myself with the sentiments which have been so well expressed by the distinguished junior Senator from Rhode Island, in paying tribute to the extraordinary contributions that the distinguished Secretary of Defense has made to this country and to its security. There is no question that this Nation is more secure because of his very dedicated efforts.

One comment made by the distinguished Senator from Rhode Island which has caused me some distress is the question about the resignation of Secretary McNamara. I have heard—and I do not know whether the Senator from Rhode Island can make any statement with regard to the matter—that it was not a question of his having submitted his resignation. I understand that one of the newspapers, at the present time, has a story that the Secretary of Defense did not actually submit a letter of resignation, but was transferred, so to speak—I do not know what the correct term would be—from the Defense Department to the World Bank.

I believe this is a matter that all of us in this body should be deeply interested in and concerned about. We should know the real basis of the switch, because obviously whether the distinguished Secretary of Defense has felt he could no longer serve, or was resigning for particular reasons, or whether a decision was made at another level that his service was no longer needed, I believe is a matter of which members of this body should be made aware. I do not know whether the distinguished Senator from Rhode Island has any information on that point or not.

Mr. PELL. In answer to the question of the Senator from Massachusetts, I have no inside knowledge as to those facts. I would pray that the Senator's conjecture is not correct, but I do not know.

Mr. KENNEDY of Massachusetts. I thank the Senator.

Mr. MURPHY. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY of Massachusetts. I yield.

Mr. MURPHY. For clarification, I ask the Senator from Massachusetts whether there was an implication in his remarks to the effect that the President had asked for the resignation, or was it a transfer of a Cabinet officer from a Cabinet position to a non-Cabinet position?

Mr. KENNEDY of Massachusetts. That is the matter which is of great concern to me. As I understand from news reports I have heard this afternoon, and from what I think is a thoroughly reliable source, and from one of the Nation's leading papers, which, as I understand, has this story, the Secretary had not submitted a resignation, but, by some means or other, had been transferred over to the World Bank.

In connection with the remarks of commendation of the Senator from Rhode Island, and his expression of the wish that the Secretary would withdraw his resignation, or at least reconsider it, I think it would be helpful for Members of this body to know what the terms of the transfer were.

Mr. MURPHY. I agree with the Senator.

Mr. KENNEDY of Massachusetts. If the Senator from California can shed any light on the situation, I think it would certainly be helpful.

Mr. MURPHY. I have no information, but I agree that this body has the right to know.

I would like the RECORD to show that I do not completely agree with the remarks of the Senator from Rhode Island, in that I have never been in complete favor of the Secretary of Defense, his deceptions, or his conduct of the war in Vietnam; but I do think we in this body have a right to know under what circumstances this transfer or this resignation was made, or, with or without a resignation, how it was done. I think it is important that the people of this great Nation understand exactly how this Government is being run, and by what means.

I thank the Senator.

Mr. KENNEDY of Massachusetts. The point which the Senator from California has raised has certainly been in my mind as well; and I think all of us in this body must be concerned about it, because we are going to be asked about it, and I am hopeful that the facts will come to light, so that we will be able, at least, to have a better understanding of the circumstances.

Mr. PASTORE. Mr. President, will the Senator yield to me?

Mr. PELL. I am delighted to yield.

Mr. PASTORE. First of all, I compliment my junior colleague for his praise of Secretary McNamara.

I think Robert McNamara, first of all, is too big a man to be pushed around, and this idea that we are implying here this afternoon, that this man has been transferred from one post to another post, to my way of thinking, is absolutely ridiculous. I know that McNamara has been held in the highest esteem by the President of the United States, and is intellectually and financially independent

enough that if he were being humiliated in any way, he would not have accepted the nomination to the post, as he did, of President of the World Bank.

The man has worked hard for many years. He has served as Secretary of Defense longer than any other man. I think he is tired. In fact, I do not know how he has survived under the terrific strain to which he has been subjected. I think the chances are he has come to the conclusion that he would like to have a position where possibly he would not have to exhaust himself the way he has been exhausting himself as Secretary of Defense.

I have not always agreed with Secretary McNamara. I have disagreed with him on nuclear propulsion, on naval surface vessels, and on some other matters. But I daresay we have never had a Secretary of Defense who was more knowledgeable, more courageous, nor more intelligent than Mr. McNamara, nor one who has served as long as he. We can disagree with him, and many people on this floor have disagreed with him; but you cannot disagree with the integrity and the courage of the man.

I believe this was a voluntary decision made by him. I think it is absolutely wrong for us to infer by innuendo that this man has been pushed from one position to another; and I think what we ought to do is exercise a little calmness and patience, and wait to find out what the true story is.

I know in what high esteem the President of the United States has always held Mr. McNamara. I know the high esteem in which he has been held by the members of the Committee on Armed Services and the Committee on Appropriations before whom he has appeared.

I dare say that all this innuendo about the man being pulled out because we are going to accede to the hawks, because we are going to get into a nuclear conflict—all of that, to me, is absolutely ridiculous. I know where McNamara stood. He has cited his position time and time again before the Joint Committee on Atomic Energy of which I am chairman. He always said that we had a limited political objective, and that we had to use a restrained offensive in order to avoid a nuclear or thermonuclear holocaust.

I do not think that McNamara ever changed Mr. Johnson's position. I think the President made up his own mind. I know whoever the new Secretary of Defense may be, Lyndon Johnson will make up his own mind, and make the decisions. He will accept the advice of many people, but when it comes to the final decision, it will be the decision of Lyndon Johnson, and all these foolish stories I have read in the newspapers, that now we are going to give in to the hawks, do this, or do that, are playing down the integrity and the courage of Lyndon Johnson.

Those of us who knew Lyndon Johnson as majority leader know that Lyndon Johnson is going to call the shots himself, and will make his own decisions, no matter who the Secretary of Defense happens to be.

I am sorry that Secretary McNamara is leaving. I wish he would stay. But I

know he must have reasons of his own, and I wait to hear what those reasons are. Until that day, let us not, by our speculations, seek to make him a puppet, nor Lyndon Johnson a tyrant.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. MONRONEY. Mr. President, is there an amendment pending at the desk?

The ACTING PRESIDENT pro tempore. There is no amendment pending.

AMENDMENT NO. 470

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment No. 470.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 470) of Mr. WILLIAMS of Delaware is as follows:

On page 143, between lines 6 and 7, insert the following:

"Sec. 225. The first sentence of the second paragraph under the heading 'Administrative Provisions' in the Legislative Branch Appropriation Act, 1962, as amended (2 U.S.C. 127), is amended to read as follows:

"The contingent fund of the Senate is hereafter made available for reimbursement of transportation expenses incurred in traveling by the nearest usual route between Washington, District of Columbia, and any point in the home State of the Senator involved, for not to exceed four round trips originating and terminating in Washington, District of Columbia, made by employees in each Senator's office in any fiscal year, such payment to be made only upon vouchers approved by the Senator containing a certification by such Senator that such travel was performed in line of official duty."

On page 135, after line 25, insert the following:

"(5) Section 225 shall take effect with respect to round trips commencing on or after the date of enactment of this title."

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, there will be no further votes tonight. I apologize to those who are here because of the assurances given by the leadership. However, developments have a way of occurring which change the minds of people.

ORDER FOR RECESS TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in recess until 10 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that immediately after the prayer and the approval of the Journal, there be a time allocation between the distinguished Senator from Oklahoma, the manager of the bill, and the distinguished Senator from Delaware who has offered the amendment, the time to be equally divided, and the vote on the pending amendment to occur at 10:30 a.m.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is the hope of the leadership that shortly after that time it may be possible to get a consent agreement on all other amendments so that we can move ahead with the pending bill.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. WILLIAMS of Delaware. Mr. President, I will make a very brief explanation of the pending amendment.

Under the existing law each Senator is allowed, I believe, six trips back to his home State for which he is reimbursed on an actual expense basis. I supported that provision when it went into the law. Many Senators from States very distant from the Capitol need such a provision. I thought it was only fair.

Later we extended that provision to cover the staff members of the Senate and allow them four trips, or in special cases six trips. I supported that provision likewise.

I thought additionally that staff members from States far from the Capitol were entitled to such consideration. However, I find that there was a difference in the manner in which this allowance was extended. While Senators are reimbursed for their six trips solely upon the presentation of vouchers, that is reimbursement for expenses actually paid, it is possible for a staff member, rather than to submit a voucher, to merely submit a statement showing the mileage between the capital and his home and collect on a mileage basis of 10 cents per mile.

Mathematically that has this effect. If he is from one of the States on the Pacific Coast, 3,000 miles distant, he could collect \$600 for transportation. Perhaps he would fly out and back for \$200 or \$250, and the rest of the money would go to him.

The law was not intended to work that way. I say that as one of the cosponsors. I do not think it was so intended by the Senate. However, I find that the law does so read. In all fairness it should be pointed out also that most of the staff members, at least those with whom I

checked, are collecting only on a basis of being reimbursed for actual transportation paid.

There may be some cases in which some staff members are taking advantage of it, but generally speaking they are not.

I have talked with many Senators who did not even know that it was possible to do so; however, since it is possible, it should be corrected. The purpose of my amendment is to allow them to have the same number of trips as was provided originally, not only to their homes but also to whatever point in their States the Senator sends them. They would be reimbursed for actual travel expenses the same as Senators are, on a straight voucher basis and on the basis of actual travel expenses.

I hope that by tomorrow, after considering the matter, the chairman of the committee will be able to accept the amendment.

Mr. President, I yield the floor.

Mr. MONRONEY. Mr. President, I appreciate the lateness of the hour.

I am not fully advised as to how many trips the Senate staff can make. My impression was that they were allowed 4 trips, for which they are reimbursed, regardless of how they travel, at 10 cents a mile. That applies to the staff members of Senators.

The 10 cents a mile was arrived at as an average, because most of our staff members no longer have residences in their States as Senators do.

If their airline transportation, which most of them would use, runs at the ordinary rate of about 7.5 cents a mile, they would have a 2½-cent-a-mile advantage. However, they would lack any per diem payment for their hotel bill. I am sure the Senator does not wish to have them pay for that individually because they are in the service of the Senator. The additional money that might not be consumed by the mileage was included in there in lieu of per diem which the Senate committee staff have now, as do all of the employees downtown.

If they go by car, and many of them have to because they will be out there a considerable time, the rate for Government employees not accredited to the Senate staff is 12 cents a mile, but we pay them only 10 cents a mile. It seems to me that if they travel by car, it is a sacrifice of 2 cents a mile. If they travel by plane, there will be a difference of 2½ cents which will be more than consumed in the regular per diem that the people would have.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS of Delaware. Mr. President, the amendment corrects that discrepancy between the 10 cents and the 12 cents a mile. They would be reimbursed at 12 cents a mile, the same as the others. The pending amendment makes that correction.

The Senator is correct that under the existing law it is 10 cents a mile. However, if they drive cars under the instructions of the Senator, my amendment gives them the same as the other employees receive.

Mr. MONRONEY. What I am trying to get at is whether the purpose of the

amendment is to reduce the 10 cents a mile that the staff members receive on travel back and forth on official business to the Senator's home State. Is it the purpose to reduce that, as the Senators have reduced ours, to the actual airline tariff, and no more?

Mr. WILLIAMS of Delaware. The Senator is correct. If they actually drive their cars they would collect the 12 cents a mile, the same as the other employees. However, plane fares or other transportation costs would be on a reimbursable basis.

I think there is a matter of principle involved here. As I stated, I was a supporter and thought it was correct to allow the Members of the Senate transportation costs of 6 trips.

I supported the original proposal for the staff members, and I still feel that it is the responsibility of the Government to pay for this transportation when it is essential.

I do not quarrel with that at all. However, I do not think that under any circumstances any person making official trips should be able to put any of the surplus from the allowance into his pocket.

Mr. MONRONEY. I do not think they do. I think this is in lieu of per diem.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. YARBOROUGH. Mr. President, this amendment does not do what the Senator says. This would cut the number of employees a Senator could take to his home State. The number is now 6. The pending proposal would limit it to 4.

The pending proposal would reduce the present number by one-third. If a Senator lives the distance away from the capital that I do, it is not like driving up the Delaware overnight. This costs a lot of money.

I think that a man representing a State with a population of more than 10 million population has more of a problem involved.

I wish the Senator from California [Mr. KUCHEL] were here. I had to take a minimum of eight employees last year. And we had a misunderstanding. I had to pay for one of those eight employees out of my salary because there was a little misunderstanding on that.

These employees do not volunteer to go back on these trips. These young people, such as secretaries, have to give up apartments. Some of them continue to pay rent for their apartments and keep their apartments, finding that it is cheaper than having to come back and locate another apartment.

I find that I have to send out a memorandum and call for volunteers to go back to Texas because it imposes a financial burden. The employees who come to the Capital from a very great distance do not have homes in their home State. That is a distinct disadvantage to employees who have to travel back to their home State.

This amount is not enough to pay for the travel, much less any of the losses they have to incur by going back. This reduces the number of assistants you can take with you. The number is cut back from six to four.

If the distinguished Senator lived a thousand miles away and represented a State that had as many as 4 or 5 million people, he would not offer this amendment. I believe we should raise the number from six to eight. Out of some 20 or so members of my staff, we need eight. I believe we should have eight instead of six.

The executive department has 2,900,000 employees. We say we are a coequal branch, and we will not take enough help along to answer the mail. What kind of body is this? We should hire enough people for the staffs and for every Senator.

Former Senator Lehman, of New York, was a wealthy man, and he hired enough people to answer correspondence promptly and to do the work in his office. After he left the Senate, I was informed that his payroll, out of his pocket, to run his office, was larger than his Government payroll. He was a wealthy man, and he could afford it. Frankly, I do not have the money with which to do that. Were I wealthy, I would increase my staff by at least 50 percent within the next 30 days. I believe that this niggardly and nit-picking way of saying you cannot take a staff home is unworthy of the Senate.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield. I believe the Senator has the floor.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Texas has pointed out that this amendment would reduce the number of trips from six to four. It is not so intended. I have a memorandum which states that under existing law employees in a Senator's office are entitled to be paid at the rate of 10 cents per mile for four round-trips per year but that another section does allow two extra trips under certain circumstances. We will check that. If the existing law allows more trips for the staff members I would so modify my amendment.

I am not proposing to increase or decrease that number at all. It is my understanding—and I believe it is correct—that the staff members are entitled to four trips and the Senator is entitled to six trips.

I wish to make it clear that the purpose of the amendment is not to reduce or increase the number of trips that staff members may take under existing law. The purpose of the amendment is to allow 12 cents per mile, instead of 10 cents a mile, if he drives his car, as all other employees of the Government receive, but if he travels by plane or by train he would be reimbursed only on an actual transportation expenditure basis. That is the sole purpose of the amendment.

I will check overnight to make sure that the same number of trips are protected.

The intent of the amendment as it will be voted on tomorrow is not to reduce the number of trips allowed to staff members. My amendment would merely confine them to being reimbursed only for travel expenses incurred.

Mr. YARBOROUGH. If the Senator did not intend to reduce the number, I

regret my remarks. I ask the Senator: Does this refer to four trips by one employee?

Mr. WILLIAMS of Delaware. It refers to the existing law.

Mr. YARBOROUGH. The number of employees, not multiple trips by one employee?

Mr. WILLIAMS of Delaware. This amendment would not change the existing law at all as it relates to the number of a Senator's employees, assignment, or anything else. It is only intended to affect the method of reimbursement. If they drive their cars to Texas, they would get 12 cents per mile rather than 10. On the other hand, if they fly down and back they would collect only the amount that was actually paid for travel in exactly the same formula as the Senator himself is reimbursed.

Mr. YARBOROUGH. I thank the Senator.

Mr. MONRONEY. Mr. President, I call attention to the fact that 10 cents a mile—and I believe I was chairman of the Legislative Appropriations Subcommittee when it was put into effect—was recognized as being a happy medium between the travel by car and travel by air.

As I have pointed out, it costs approximately 12 cents if you take the Government allowance on a car, and if you fly it is approximately 7.5 cents. We left a little surplus because I believe we should contribute to the per diem of our staff members who go back on official business.

The distinguished Senator from Texas has mentioned that Senators must have somebody there to answer the mail. We must have somebody there to answer the phones. I cannot expect the clerks that I pay for their work here to pay out of their own pocket completely for their hotel room, if they stay for 2 or 3 months, as many do during the recesses we might accidentally get, and stay there because of Government service.

It is a very little pittance, and I believe the only man who would be ahead would be one who went down there for a weekend, as a staff member, and would have a hotel bill for 2 nights. I believe it would use up any overage he might have, the difference between his airline fare and the 10 cents per mile we provide.

One other reason I believe important is that we try to keep these things in line. If the Senator had sat on the Legislative Appropriations Committee, as I have, and listened to the jealousies and the different comparabilities, he would be aware of the comparability fights among the Senate staffs, from top to the bottom.

By this method, we would build up a great deal of cost. It would mean \$16 a day when we go home next year, if we have an ordinary recess, and the cost would be charged to the Federal Government. You do not have to document the \$16 a day. That is a per diem allowance for their apartment, or hotel, and for food.

I believe it would be a bad bargain, when the people on our staffs are willing to travel at 10 cents per mile and

whatever small change is left from the airline ticket, to have them agree to pay their hotel bill, and not expect to voucher the Federal Government for it or to ask the Senator for it. These vouchers must be signed by the Senator. If there is any difficulty or any phony business about it, the Senator can say, "Do this over, because I don't think it is this mileage," or, "I think you have too much left."

It seems to me that they always are comparable to the committee staffs. The difference is almost indistinguishable between the administrative assistant in the Senator's office and chief counsel to the committee staff.

This is what we do with the people on the committees. If they want to go home, we pay them 12 cents per mile or the straight airline fare. No 10 cents or no overage at all. But we pay them \$16 a day per diem, Mr. President.

If we want to get comparability, then we will have to say, "OK, let us do it the way we do it with committee staffs, and let them get 12 cents a mile by car, the exact amount; tourist, if you go back by airplane. But we are going to give you \$16 a day for every day you spend there, because this is what we pay the committee staffs traveling on official business, and this is what we pay the people downtown in the executive offices."

I wish to state the real reason for this amendment. This is a legislative pay bill affecting nearly 3 million Federal employees. We had no hearings on this matter. We should take care of this matter as we always have, in the legislative appropriation bill. I believe it would be far better not to encumber this bill with the personal housekeeping problems of our office staffs—where they are going to live if they go back, whether they will receive 10 cents per mile for going by airplane or 12 cents per mile for going by car, or whether we will pay them 12 cents per mile at the committee staff rate, the exact amount of the airline ticket if they go by air, plus \$16 a day per diem. If we pay them in that manner, we will wind up with extravagance. I am sure that the senior Senator from Delaware does not want us to be extravagant and that he does not wish to burden the Treasury with this additional expense.

I see that the time has come when most Senators have left the floor. I hope that they will read some of this interesting debate in the RECORD tomorrow and that we may briefly summarize some of the statements we have made tonight on these issues.

In the final analysis, I believe that the best way to handle this matter would be to turn it over to the appropriate Appropriations Subcommittee and try to work out an arrangement. It is no fun to be a sort of babysitter to all the complaints from members of the committee staffs and members of Senators' personal staffs. Let us permit the distinguished Senator from Alaska [Mr. BARTLETT] to handle the matter in the legislative appropriations bill. I am sure that we will not bankrupt the government in the meantime by the differential between the 10 cents per mile or 7½ cents per mile, if they fly by tourist class, or 12½ cents per mile when they go by their own car.

Mr. President, I yield the floor.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

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For actions of November 29, 1967
90th-1st, No. 194

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HIGHLIGHTS: Senate passed pay bill. House rejected motion to concur in Senate amendments to meat inspection bill. House passed bill to remove interest-rate ceiling on land-bank and cooperative-bank loans.

SENATE

- PAY RAISE; POSTAL RATES.** Passed, 85-2, with amendments H. R. 7977, to increase postal rates and the salaries of Federal employees (pp. S17305-19, S17313-26, S17329-56). Agreed to various amendments affecting postal rates and certain personnel outside USDA. Rejected, 5-83, a motion by Sen. Curtis, for himself and Sen. Williams, Del., to make the bill inapplicable to salaries over \$10,000 (pp. S17316-23). Rejected, 27-60, an amendment by Sen. Williams, Del., to limit the filling of vacancies (pp. S17343-8). Senate conferees were appointed (p. S17355)

2. WATER RESOURCES. Sen. Kuchel inserted his speech, "Federal Participation in Water Resource Development." pp. S17310-13
 3. PRIVACY; STATISTICS. Sen. Long, Mo., inserted an article, "The National Data Center and Personal Privacy." pp. S17364-7
 4. FOREIGN TRADE. Sen. Hollings expressed concern about textile imports and inserted a statement by Sen. Ervin on this matter. pp. S17381-2
Sen. Hartke inserted an article analyzing the situation regarding liberalization of foreign trade. p. S17386
 5. NATIONAL GRANGE. Sen. Ribicoff commended the National Grange on its 100th anniversary. p. S17385
 6. CONGRESSIONAL ORGANIZATION. The Rules and Administration Committee reported without amendment S. Res. 188, to continue the Special Committee on Organization of Congress through January 1968 (S. Rept. 810). pp. S17359-60
 7. PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendments H. R. 12121, to extend the Public Land Law Review Commission (S. Rept. 820). p. S17360
 8. EDUCATION. The Rules and Administration Committee reported a House concurrent resolution to print as a House document a report, "Study of the U. S. Office of Education." p. S17359
- HOUSE
9. MEAT INSPECTION. Rejected, 166-207, a motion by Rep. Smith, Iowa, to agree to Senate amendments to H. R. 12144, the meat inspection bill, and conferees were appointed. Senate conferees have been appointed. pp. H15983-91
 10. FARM LOANS. Passed as reported H. R. 13706, to amend the Federal Farm Loan Act and Farm Credit Act. Rejected, 102-269, a motion by Rep. Patman to recommit the bill. Agreed to a motion by Rep. Poage to substitute the language of this bill for that of S. 2565. This bill would: (1) permit interest rates on loans made by Federal land banks, production credit associations, and banks for cooperatives to be determined as provided in the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, to cover the cost of loan funds and other expenses and reserves so that the lending may continue on a self-sustaining basis, (2) remove the 6-percent maximum loan interest rate limitations in such acts of Congress which now apply to loans made by Federal land banks and banks for cooperatives, and (3) include in the Farm Credit Act of 1933, a sentence that was in that act from 1933 to 1956, which would clarify how interest rates on loans made by production credit associations are to be determined. pp. H15998, H16002-8
 11. LIVESTOCK. Rep. Berry urged a tight restriction on livestock imports from Britain and Argentina because "both countries are experiencing a serious epidemic of foot-and-mouth disease." p. H15980
 12. FUTURE FARMERS OF AMERICA. Rep. Poff commended the work of the Future Farmers of America and recommended that it remain a private, independent, and unsubsidized organization. pp. H16018-9

Senate

WEDNESDAY, NOVEMBER 29, 1967

(Legislative day of Tuesday, November 28, 1967)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

Rev. Josef Nordenhaug, general secretary, Baptist World Alliance, Washington, D.C., offered the following prayer: Almighty God, our help in ages past, be our help today.

In these days of turmoil and devaluation of that which is true, honorable, just, pure, lovely, and gracious—give us Thy guidance and courage to follow it. Make our hands Thy hands reaching out with help for the hungry, the homeless, the sick, and the despairing in the human family.

We thank Thee for the privilege of living in these days, and pray for those who carry the heavy responsibility of decisions and leadership in our Nation and in the nations of the world.

Forgive us, O God, for every step we have taken on a wrong road, and empower us by Thy spirit to walk in the paths of righteousness for Thy name's sake.

May Thy will be done on earth, and let Thy peace which spans beyond all human understanding guard our hearts and minds in Christ Jesus. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,

Washington, D.C., November 29, 1967.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. BYRD of West Virginia thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, November 28, 1967, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on the Judiciary of the Committee on the District of Columbia and the Committee on Rules and Administration be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE MEETING VACATED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the permission which was granted the Committee on the Judiciary on yesterday to meet today during the session of the Senate be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumes the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that upon the completion of the disposition of the pending amendment, there be a 40-minute limitation on each amendment offered by the distinguished Senator from Delaware—numbered 468, 469, and 472—the time to be equally divided between the Senator from Delaware [Mr. WILLIAMS] and the Senator from Oklahoma [Mr. MONROE].

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Without objection, it is so ordered.

The issue before the Senate is the amendment of the Senator from Delaware. The vote is to be taken at 10:30 a.m. Each side has 11 minutes remaining.

Who yields time?

Mr. WILLIAMS of Delaware. Mr. President, in the absence of the Senator from Oklahoma, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, the pending amendment relates to the provisions in existing law which provide that four staff members from a Senator's office are entitled to be paid for their transportation expenses when sent home. This means four trips each year for staff members from each Senator's office, with the exception that employees of Senators from States with a population of 10 million or more are allowed six trips.

Under existing law we provide for repayment to Members of the Senate who make official trips back to their States, up to six trips during each calendar year. These repayments are made on a strictly reimbursable basis for travel expenditures actually incurred. When the Senator returns he submits to the disbursing office a voucher for his transportation cost—his airplane ticket or his railroad ticket—and he is reimbursed accordingly, but reimbursement is strictly on the basis of expenditures made.

In the case of staff members of the Senate, they can travel by air or by train, but they are reimbursed not on the basis of expenditures actually made for transportation but rather on the basis of 10 cents per mile. This method has the mathematical effect in the case of far-distant States, on the west coast, for instance, that they can collect sometimes 30 to 40 percent more in reimbursement than was paid out in transportation expenditures.

The purpose of the amendment is to bring the provisions for staff members into compliance with provisions which are now in effect for Members of the Senate; namely, that the staff member would be reimbursed for travel expenses on the basis of 100 percent as they are made, but no more. In other words, reimbursement would only be made for the actual expenses.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CARLSON. Is it the contention of the Senator that Members of Congress are required to submit vouchers for all expenses on travel and that that is not required by members of the staff?

Mr. WILLIAMS of Delaware. The Senator is correct. I believe that was an oversight at the time this measure was passed. I am sure it was. I voted for it, and it was my understanding that both groups would be reimbursed according to

expenditures, but the law does not so read. Based on my survey most staff members today are merely collecting on the basis of actual expenses, and there are very few, I suspect, who even know about the conditions to which I refer. I would not change the number of trips, but I think they should only be reimbursed on actual expenditures.

Mr. CARLSON. I favor the present system in which staff members are permitted to travel and receive pay for their travel. However, I rather agree with the position of the Senator from Delaware. There should be no question as to vouchers submitted for travel. The requirements should be the same as those required of Members of the Senate.

I think that our staff people are entitled to travel, and we request that they travel. Therefore, they should be reimbursed on the number of trips we permit.

However, if the Senate's amendment is so drawn that it does only that to which he refers, I would support it. Otherwise, I would not want to endanger the travel pay of our staff people.

Mr. WILLIAMS of Delaware. I assure the Senator that that is all the amendment does. If it were found that the amendment does more I would oppose it. I am 100 percent in favor of the allowance for staff members. I think it is essential, just as travel is essential for Senators.

I do not think that under any circumstances anyone should ever collect anything in addition to the amount actually paid out for travel expenses.

Mr. President, I yield the floor and reserve whatever time I have remaining.

Mr. MONRONEY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. MONRONEY. Mr. President, first, I wish to make a brief statement for the record which is out of order.

The PRESIDING OFFICER. The Senator is recognized.

TRIBUTE TO DR. HENRY GARTLAND BENNETT, PRESIDENT TRUMAN'S FIRST POINT 4 ADMINISTRATOR

Mr. MONRONEY. Mr. President, it has been nearly 16 years since the tragic and untimely death, in line of duty, of Dr. Henry Gartland Bennett, a great Oklahoman, a great American, and President Truman's first point 4 administrator.

Dr. Bennett had been the head of Oklahoma State University and he was the man who brought it into greatness from a small school. Dr. Bennett and his wife were killed 16 years ago this Christmas Eve, while he was on duty, during a landing at one of the Middle Eastern airports in a storm.

If he were here today, I know that Dr. Bennett would be very proud of the record of one of the projects initiated by him—the Oklahoma State University agricultural education program in Ethiopia. Within months of Dr. Bennett's death, three Oklahomans arrived in

Ethiopia to start work on the educational program Dr. Bennett and His Imperial Majesty Haile Selassie had agreed upon.

Dr. Bennett understood that the secret of American success was to be found in the application of universal truths and that, as such, the secret was adaptable to the environments and cultures of any people. At the same time, Dr. Bennett made it clear that his purpose was not to impose an American way of life upon the world. The corollary for the American technical cooperation program, Dr. Bennett explained to the Foreign Affairs Committee in June 1951, was:

We work ourselves out of business . . . As soon as possible the nationals of the country take leadership.

I take great pride in the fact that the Oklahoma State University program in Ethiopia has worked itself "out of business." Great credit is due to the many Ethiopians, starting with Emperor Haile Selassie, whose vision and hard work over the years has brought about the training of enough top level administrative leadership to take over the full responsibility for this very important portion of their nation's economic development. I am also happy to agree with a great Oklahoma newspaper's editorial position that OSU and all Oklahomans can be proud of their record in Ethiopia.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Oklahoma City Times of November 1, 1967, commenting on the takeover of the agricultural education program in Ethiopia.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Oklahoma City (Okla.) Times,
Nov. 1, 1967]

OSU IN ETHIOPIA

So successfully involved has Oklahoma State University been in its agricultural education program in Ethiopia since 1952 that it is hard to realize the end is approaching.

But that is the word as Washington officials have decided the program is going well enough now that it can be turned over to the Ethiopians next year. OSU President Robert Kamm in a recent interview said the process of replacing OSU personnel there with Africans has been going on for years and the time for change is here, even though there will be a shortage of trained Ethiopian personnel because of the many demands for such persons throughout that country.

A record of help has been established there of which OSU and all Oklahomans can be proud.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, will the Senator from Delaware yield to me for a minute?

Mr. WILLIAMS of Delaware. I yield.

SECRETARY OF DEFENSE ROBERT S. McNAMARA

Mr. JAVITS. Mr. President, I wish to make a brief statement with respect to Secretary of Defense Robert S. McNamara. I listened to the colloquy on the floor of the Senate last night. I thought it was too serious to interpose quickly, as it affected a man's life. I have

thought the matter over and I feel that I should speak.

I would suppose that there will be great restraint on all of these questions raised last night about Secretary McNamara. I should doubt very much that he would want any such storm of controversy and suspicion to surround his movement from one great office to another.

In my judgment, he is a great American to whom the Nation owes a great debt of gratitude. Whether one agrees or disagrees with him on individual matters, he has been a great Secretary of Defense who streamlined the Pentagon and established civilian supremacy over the military. He is a man who in every way distinguished the office he has held.

The decision of Secretary McNamara with respect to the deployment of the thin anti-ballistic-missile system is one of the most courageous decisions ever made by any Government official. Although I agree with him, that is neither here nor there.

I would hope that he would be allowed to move from the office which he now has to the presidency of the World Bank, with the dignity, respect, and aura of propriety to which he is so fully entitled as a man.

Mr. President, I express this opinion as a friend and as one Senator.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

(At this point, Mr. HARRIS assumed the chair.)

Mr. MONRONEY. Mr. President, I am afraid that we are making a mountain out of a mole hill in the Williams amendment.

First, I feel that the present arrangements for the Senate staff travel of four trips to the State of the average Senator is less than we pay to our committee staffs, who also travel back to their States, and also for those in the executive department.

The Senator is correct that we do not calculate the exact cost of the airline trips that staff members take. We take the official mileage to the Senator's residence. That official mileage is calculated at 10 cents per mile. The usual air passage is about 7.5 cents a mile tourist and it would be close to 10 cents a mile first class. Counting trips to and from the airport one would have very little, if anything, left from the 10 cents a mile allowance, even though one were to travel tourist, to pay for these extras that are indispensable to trips by the staff on the whole.

I have always thought we were doing less for members of the staff than for committee staff.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MONRONEY. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 additional minutes.

Mr. MONRONEY. The committee staff are paid 12 cents a mile if they travel by car, and are paid exactly the amount of the airline fare whether traveling first class or tourist. Now this is the important part of the amendment. The committee staffs are paid \$16 a day per diem. I point out that the same thing applies in the same manner to employees traveling for the executive department. They are paid 12 cents a mile if traveling by car, and are paid the exact amount of the airline fare if traveling tourist or first class—most travel tourist—but they, too, are paid \$16 a day per diem.

The staffs of Senators are paid 10 cents a mile if they travel by car. Under the Senator's amendment, these trips would be paid at 10 cents a mile for employees merely traveling to the residence of the Senator in his home State and that is all they would get. They would not get any per diem. We consider—at least I do—that the overage, if there be any, between the actual air fare of 7½ cents a mile and the 10 cents a mile we now pay, does perhaps pay for their time over the weekend when they are in a motel or have a place to stay in a rooming house or a hotel. Certainly, they will be in the hole because of the trip back home.

We pay only the cost of the air trip back home as vouchered by the Senator. We pay on a vouchered certificate of the employee, signed by the Senator, of the official mileage established in the Disbursing Clerk's office. The exact mileage, at 10 cents a mile, is vouchered and checked. It cannot vary. But we do admit that there will be, perhaps, a residual of 2½ cents on the 10 cents a mile that we have vouchers for. This is in lieu of the \$16 a day per diem. If we want to make it equal and fair, then we should change the amendment to say that we will pay the same as committee staff are paid—that is, at the actual air fare rate; but we will also pay them \$16 a day per diem. This will, of course, cost a lot more money to the Federal Government because now our staff members are absorbing it.

The Senator asks why do Senators get only air fare. The reason is that Senators have residences of their own in their home States, in which, of course, they stay. We would be foolish to give them \$16 a day per diem. We would be foolish to overpay the amount of their actual air fare. I think we would be working an injustice on committee staff by saying, "You cannot have any per diem for your hotel bill. You cannot have 10 cents a mile. You can have only the actual amount of the airline ticket."

Mr. President, the amendment of the Senator from Delaware should be defeated.

Mr. FONG. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I am happy to yield to my distinguished colleague from Hawaii, a member of the committee.

Mr. FONG. Mr. President, I join the Senator from Oklahoma in objecting to the amendment of the Senator from Delaware.

I do not know how other Senators use their staff expenses but in my office I make sure that each man is reimbursed only for the amount he pays for actual travel expenses going to and from Hawaii.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MONRONEY. Mr. President, I yield 2 additional minutes to the Senator from Hawaii.

The PRESIDING OFFICER. The Senator has only 1 minute remaining.

Mr. FONG. Mr. President, I ask unanimous consent that I may proceed for 3 minutes on the bill.

The PRESIDING OFFICER. Under the unanimous-consent agreement, there is no time allowed on the bill, only on the amendment.

Mr. FONG. Then, Mr. President, I ask unanimous consent that I may proceed for 3 minutes on the time allowed under the amendment.

Mr. MONRONEY. Mr. President, may I yield the Senator from Hawaii 3 minutes from the time on the bill?

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. WILLIAMS of Delaware. I want to use only 3 minutes. I am glad to yield 2 minutes to the Senator from Hawaii. Just so I have 3 minutes left.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 3 additional minutes.

Mr. FONG. Mr. President, I repeat, in my office I make sure that each staff member who returns to Hawaii is reimbursed only for his actual transportation costs. I find that I need more than four staff members in my home State while the Congress is in adjournment. By using the money available under the 10 cents a mile rule presently in law. I am able to send 10 or 12 staff members to my home State.

It is difficult for the members of my staff to get to Hawaii, because it costs so much to go there and back. Four hundred dollars for a trip is the cheapest one can go. If he went first class, it would cost \$600. They go the cheapest way home every time. I find that even with the present law, staff members must pay a part of the way from their own pockets. They also receive no per diem expenses that other Federal employees receive when they are traveling.

Thus, I think that the amendment of the distinguished Senator from Delaware is not a good way to handle this kind of expense.

Mr. WILLIAMS of Delaware. Mr. President, if the Senate wants to send more members of the staff back home, the way to do that is to change the number of trips or the number of staff members, and to do it in an open and aboveboard way, still reimbursing each one of them solely on the expenditures incurred.

The argument is made that this is an offset to what would normally be classified as a per diem allowance.

The fallacy to that argument is that in the State of Pennsylvania, say, the

difference in the allowance would amount, on a round trip, to perhaps \$12 to \$15. That is because it is close by. The difference in a round trip to Hawaii would amount to \$400 to \$500.

If staff members are sent there, it would cost no more to stay in Hawaii than in Pennsylvania.

If we are going to make extra allowances let us do whatever we do in an open and aboveboard way.

This amendment would not change in any way the number of trips allowed to staff members, as was approved by Congress. It leaves it at exactly the same number. It gives them every trip which Congress intended them to have.

This amendment merely states exactly what is now true with Members of the Senate, that staff members will be reimbursed only for expenditures actually incurred. That is all anyone should expect under any program or any authorization of the U.S. Government.

Mr. President, I want a record vote on the amendment, and I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, how much time is left?

The PRESIDING OFFICER. One minute is left to each side.

Mr. MONRONEY. Mr. President—

Mr. WILLIAMS of Delaware. If the Senator from Oklahoma is willing, I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. Are Senators willing to yield back the remainder of their time?

Mr. MONRONEY. Mr. President, do I have 1 minute remaining?

The PRESIDING OFFICER. Yes.

Mr. MONRONEY. Then I yield myself the additional minute.

Mr. WILLIAMS of Delaware. Mr. President, I withhold my 1 minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute.

Mr. MONRONEY. Mr. President, if Senators want uniformity, if they want the same kind of treatment for the members of their staffs as are paid committee staffs and the executive department, then let us have an amendment which will provide for the exact amount of the airline ticket cost and give our employees the \$16 a day per diem which is allowed to everyone else.

For myself, I do not expect and I do not want any employee to be using money out of his pocket for expenses when he goes back home for a few days to help answer the phone and see constituents that I am unable to see.

I have to have some staff back there. If the Senator wants to be fair, he should say, "Sure, allow them the exact amount of their airline ticket, but let us give them the same per diem." It is going to cost a lot more, but I think that would be fairer.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself my remaining minute to say that the Senator from Oklahoma says, "If we want to be fair, let us put them on the same basis." We should put them on the same basis, but let us remember that an employee here

is receiving \$20,000 to \$22,000, and what will be a \$25,000 salary for staff members, compared with an employee downtown who is drawing \$10,000 or \$12,000.

Mr. MONRONEY. The committee staff is drawing more than the Member staff.

Mr. WILLIAMS of Delaware. The committee staff may be overpaid. This is getting out of hand.

I repeat, under no circumstances should there be in a governmental role any Government official, either staff member or any other official of the Government, who can collect and make money on his travel allowance. He should collect only that which he pays. That is the law as it relates to all private citizens.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia (after having voted in the affirmative). Mr. President, on this vote I have a live pair with the senior Senator from West Virginia [Mr. RANDOLPH], who is attending a funeral. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. MCGEE], the Senator from Florida [Mr. SMATHERS] and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from West Virginia [Mr. RANDOLPH] is absent because of the death of a close personal friend.

I further announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Louisiana [Mr. ELLENDER], the Senator from Louisiana [Mr. LONG], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], and the Senator from Connecticut [Mr. DODD] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Iowa [Mr. MILLER] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 37, nays 47, as follows:

[No. 353 Leg.]

YEAS—37

Aiken	Curtis	Lausche
Baker	Dirksen	Mansfield
Bayh	Dominick	McClellan
Bennett	Eastland	Morton
Bible	Hansen	Mundt
Byrd, Va.	Hickenlooper	Murphy
Case	Hruska	Pastore
Clark	Javits	Pearson
Cotton	Jordan, Idaho	Percy

Prouty
Ribicoff
Russell
Smith

Spong
Stennis
Talmadge
Thurmond

Williams, Del.
Young, Ohio

NAYS—47

Allott
Anderson
Bartlett
Boggs
Brooke
Burdick
Cannon
Carlson
Church
Ervin
Fannin
Fong
Gore
Griffin
Gruening
Harris

Hart
Hatfield
Hayden
Hill
Holland
Hollings
Inouye
Jackson
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Long, Mo.
Magnuson
McCarthy
McGovern

Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pell
Proxmire
Sparkman
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—16

Brewster
Byrd, W. Va.
Cooper
Dodd
Ellender
Fulbright

Hartke
Long, La.
McGee
McIntyre
Miller
Randolph

Scott
Smathers
Symington
Tower

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. HOLLAND. Mr. President, may I have 1 minute from whoever controls the time?

The PRESIDING OFFICER. No time has been yielded. The Senator from Delaware, under an agreement, is to call up an amendment at this time.

Mr. WILLIAMS of Delaware. Mr. President, I will call up the amendment. How much time does the Senator from Florida wish?

Mr. HOLLAND. I merely wish to make an announcement as to why I did not vote yesterday.

AMENDMENT NO. 468

Mr. WILLIAMS of Delaware. I call up my amendment No. 468.

The PRESIDING OFFICER. The amendment will be stated.

Mr. MONRONEY. Mr. President, will the Senator yield so that I may move to reconsider the vote?

Mr. WILLIAMS of Delaware. Yes.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 468) of Mr. WILLIAMS of Delaware is as follows:

On page 143, between lines 6 and 7, insert the following:

"SEC. 225. (a) The paragraph under the heading 'Stationery (revolving fund)' in the appropriations for the Senate in title IV of the Foreign Aid and Related Agencies Appropriation Act, 1964 (77 Stat. 864; 2 U.S.C. 46a), is amended by adding at the end thereof the following: 'The allowance for stationery shall hereafter be available only for (1) purchases made through the Senate stationery room of stationery and other office supplies for use for official business, and (2) reimbursement upon presentation, within thirty days after the close of the fiscal year for which the allowance

is provided, of receipted invoices for purchases elsewhere of stationery and other office supplies (excluding items not ordinarily available in the Senate stationery room) for use for official business in an office maintained by a Senator in his home State. Any part of the allowance for stationery which remains unobligated at the end of the fiscal year 1968 or any subsequent fiscal year shall be withdrawn from the revolving fund established by the Third Supplemental Appropriation Act, 1957 (71 Stat. 188; 2 U.S.C. 46a-1), and covered into the general fund of the Treasury.'

"(b) The stationery allowance, as authorized by law, for each Member of the House of Representatives and each Resident Commissioner shall hereafter be available only for (1) purchases made through the House stationery room of stationery and other office supplies for use for official business, and (2) reimbursement upon presentation, within thirty days after the close of the session for which the allowance is provided, of receipted invoices for purchases elsewhere of stationery and other office supplies (excluding items not ordinarily available in the House stationery room) for use for official business in an office maintained by a Member in his home State. Any part of the stationery allowance which remains unobligated at the end of the session for which it is available, beginning with the first session of the Ninetieth Congress, shall be withdrawn from the revolving fund established by the Legislative Branch Appropriation Act, 1948 (61 Stat. 366; 2 U.S.C. 46b-1), and covered into the general fund of the Treasury."

Mr. WILLIAMS of Delaware. I yield 1 minute to the Senator from Florida.

Mr. HOLLAND. I thank the Senator for yielding.

Mr. President, yesterday afternoon, some time after 6, there was a vote in the Senate. Under a misunderstanding that there would be no further votes, the Senator from Florida, a few minutes after 6, had left the Senate Chamber. The vote was on an amendment offered by the distinguished Senator from Delaware [Mr. WILLIAMS]. The results of that vote are shown on pages S17298 and S17299 of the RECORD.

If I had been present and voting, I would have voted "nay." I ask that that fact be shown in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, I yield 2 minutes to the distinguished senior Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1967

Mr. McCLELLAN. Mr. President, on yesterday in my remarks while discussing the pending crime measure, I referred to an incident that had occurred in the State of Oklahoma when a murder charge had to be dismissed because a 14-year-old boy had confessed to the crime without having been warned and without having been offered the assistance of a lawyer. The young boy blurted out his confession. The court dismissed the case or was forced to find the defendant not guilty because of the ruling by the Supreme Court in the Miranda case.

I made some reference yesterday to the facts and circumstances attending that crime. I spoke largely from memory, although I had printed in the RECORD a new account of the crime from the Washington Post.

I am now in possession of the other article about which I spoke. I ask unanimous consent that the editorial entitled "The Law: Criminal Justice—A Father Is Not a Counsel," printed in Time magazine of December 1, 1967, be printed at this point in the RECORD. Those Senators who read the article may refer to my previous remarks in yesterday's RECORD beginning on page S17284.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LAW: CRIMINAL JUSTICE—A FATHER IS NOT A COUNSEL

When the gasoline fire in the living room was finally put out, it was found that Mrs. Udine Harp's body had not been destroyed, and an examination disclosed numerous bullet wounds. County police in Boise City, Okla., soon learned from 14-year-old Bruce, one of her three sons, that he had seen a rug-cleaning salesman on the front porch shortly before the fire. An itinerant was picked up on suspicion of being the salesman, but the investigation continued. The husband, Lester Harp, was brought to the district attorney's office for further questioning, and eventually the three Harp boys were also brought in. To clear up some points, Assistant District Attorney Loys Criswell asked if the three would mind taking a lie-detector test. Before they answered, their father took them aside for a family consultation and returned with some surprising news: "Bruce wants to tell you something."

Bruce then blurted out that he had shot his mother accidentally with a .22-cal. rifle. Reloading the rifle one cartridge at a time, he had continued to pump bullets into his mother "to put her out of her misery." He next shot her dog, then doused the couch and her body in gasoline and touched off the fire. The confession came as a complete surprise to Criswell, who said later that he had never even suspected the 14-year-old.

FINGER OF SUSPICION

Criswell was in for another surprise. Because he had not suspected Bruce, he had not warned him of his rights to silence and counsel under the U.S. Supreme Court's *Miranda* decision. As a result, after one day of a non-jury trial last week, Judge Merle Lansden reluctantly barred the boy's confession and found him not guilty. "Before a confession is to be accepted when a person is in custody or his freedom of action is limited in any significant manner, he must be warned," said the judge. Mention of "the words lie detector" indicated "that the finger of suspicion was moving toward Bruce."

Though Bruce cannot be tried again on the murder charge, Criswell said he would appeal the ruling in order to challenge the judge's interpretation of the juvenile's rights. "It's the worst miscarriage of justice I've ever seen," said the angry prosecutor. "The boy hadn't even been arrested. And his father was there. This is ridiculous. It means we have open season on mothers up here." If Judge Lansden's barring of the confession is overruled, it will hardly make any difference to Bruce, who has been committed to a state mental hospital by his father. Criswell, however, says that if he wins the appeal, he may retry the boy—this time on an arson charge.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain

postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. WILLIAMS of Delaware. I yield 2 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I rise to ask a couple of questions of the manager of the bill.

The PRESIDING OFFICER. Let there be order in the Chamber.

Mr. CURTIS. Mr. President, my question relates to the pay increase portion of the bill. Is my understanding correct that for the classified service there are three steps to the pay increase?

Mr. MONRONEY. The Senator is correct. The first step is 4.5 percent. That would be effective as of October 1 of this year, contingent upon its being signed by the President.

Mr. CURTIS. I am not concerned about the dates.

Mr. MONRONEY. In the classified service, the next step would be effective next year. It would be one-half of the difference between the Federal salaries for that particular position and the comparability in outside industry, with a minimum of 3 percent. The following year, it would be the amount that would close the comparability as determined by the labor statistics wage index.

Mr. CURTIS. Is there a minimum percentage?

Mr. MONRONEY. Not that year, because we do not know what it will be. This is the markup step. The third step will close the difference. There will be at least an automatic 3 percent or at least half of the then existing difference as determined by the Bureau of Labor Statistics for the second step.

Mr. CURTIS. That has a compounding effect. It is 3 percent.

Mr. MONRONEY. Or more.

Mr. CURTIS. On what the wages will be after the bill takes effect, and the first step goes into effect.

Mr. MONRONEY. The Senator is correct.

Mr. CURTIS. What will the total cost of the pay increases in the bill be when all the steps have been taken?

Mr. MONRONEY. It will be \$2.6 billion, including the postal wages and all wages at the conclusion of the 3-year step increases.

Mr. CURTIS. Each year?

Mr. MONRONEY. It will be that amount at the end of the third year with that increase. It would escalate so that the increase will be \$2.6 billion for all of our Federal employees, classified and postal workers.

Mr. CURTIS. A 12-month period?

Mr. MONRONEY. The Senator is correct. It will begin at that point, with the last pay raise, to become \$2.6 billion.

Mr. CURTIS. Will the distinguished chairman tell me what the present median salary is in the classified service?

Mr. MONRONEY. It is about \$6,800 median. That takes in the highest level, GS-18, down to the general service level, GS-1 and GS-2.

Mr. CURTIS. That means that half of the employees get less than that amount and half of them get more?

Mr. MONRONEY. The Senator is cor-

rect. Most of them would be up a step or two from the median or a step or two down from the median.

Mr. CURTIS. That is the present median.

Mr. MONRONEY. The Senator is correct.

Mr. CURTIS. I thank the Senator from Delaware for yielding.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 3 minutes.

Mr. WILLIAMS of Delaware. The pending amendment is the exact amendment that was approved by the Senate as a rider on the legislative appropriations bill.

The amendment deals with the stationery allowance for Members of Congress, both House and Senate. The pending amendment would not change the amount of such allowances at all as it pertains to what could be expended. It merely provides that to the extent any portion of a Senator's or a Congressman's stationery allowance is left over at the end of the fiscal year, not having been used or needed for the purpose for which it was intended, it would automatically revert to the Federal Treasury.

The amendment provides, in addition, for offsetting the purchases made in the stationery stores, both House and Senate. If purchases of stationery and office supplies are made in the home State of a Congressman or in some other State by a Member of the Congress he can submit vouchers and be reimbursed for that expenditure.

I have consistently taken the position that the Federal Government should reimburse and underwrite 100 percent of the cost of operating a senatorial office.

Under no circumstances do we want to get to the point where the Senate is just a rich man's club or where the average individual cannot afford to serve in the Senate. I have constantly supported whatever stationery allowance is necessary.

I fully recognize that it takes more of an allowance in a large State than for a smaller State such as mine. I support an allowance that is adequate to take care of any State. However, to the extent that one dime is left over and not needed or used to defray official expenses of that office as they are defined, that money should not go to a Member of the Senate as additional income. The money should automatically revert to the Federal Treasury.

That is all that is involved in the pending amendment. The amendment is identical to the amendment that was agreed to before. Unfortunately it was lost in conference. One of the arguments that was made for not holding the amendment in the bill at conference was that they were confronted with the situation where the amendment had been agreed to by the Senate on a voice vote and without the prestige of a record vote. They said that therefore they could not hold the amendment.

Mr. President, to avoid that one argument I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

ADDRESS BY SENATOR KUCHEL
BEFORE THE LOS ANGELES
SECTION OF THE AMERICAN
WATERWORKS ASSOCIATION

Mr. KUCHEL. Mr. President, will the Senator yield me 1 minute?

Mr. WILLIAMS of Delaware. Mr. President, I yield 1 minute to the distinguished senior Senator from California.

Mr. KUCHEL. Mr. President, I had the honor on October 25, 1967, of speaking before the California section of the American Waterworks Association in Los Angeles, Calif.

I ask unanimous consent that a partial text of my comments on that occasion be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FEDERAL PARTICIPATION IN WATER RESOURCE
ENHANCEMENT

(Partial text of remarks of U.S. Senator THOMAS H. KUCHEL before the fall 1967 conference of the American Water Works Association, California Section, Los Angeles, Calif., October 25, 1967)

In May of 1924, the inhabitants of the little town of Lone Pine in Inyo County, California, were shocked from their beds when an enormous and destructive dynamite blast occurred nearby. Such explosions were not to be a rarity during the troubled days and months which followed. The normally placid Owens Valley was the scene of war. Heavily armed guards patrolled through fields of wild flowers, while machine gun nests were strategically placed within the usually quiet valley. Fortunately, there were no casualties as a result of this war. Property losses, however, ran high, and passions ran higher. The Owens Valley war was not over gold or silver. It was waged over that rarest of California resources—water.

The effort by the people of Owens Valley to prevent the diversion of Owens River water to the City of Los Angeles was merely one of many of the struggles by westerners over the precious fluid. The "War of the Waterhole" was a standard occurrence in the rough and ready West of our ancestors. While our times, dress, and activities have changed with time, the "War of the Waterhole" continues even today. While it is waged on a less destructive scale, it exists on a far wider front; the battle continues with great vigor in the historic Halls of Congress. Today, I will not retrace the often colorful past. Rather, I shall attempt to look at the present and the future of water resources development. Water, which has been a reason for war, may even prove to be the means of achieving peace and cooperation in some of our most troubled areas of the world.

THE AVAILABILITY OF WATER

The volume of water on the earth is fixed. This volume has served the needs of this planet over and over again through a natural use-purification-reuse process known as the hydrologic cycle. We are all aware that water evaporates from the ocean into the atmosphere, condenses into rain, falls on the land, and is used by man, animals, and nature; finally returning to the ocean where it again evaporates into the atmosphere. For a moment, then, let us examine just how much water is available to and is currently being used by man.

If the total amount of water in existence was considered to be in one fifty-five gallon barrel, then the amount of water in the oceans could be represented by a bathtub containing fifty gallons. The ice caps and glaciers would be a small block of ice containing about one gallon of water. The total

water annually involved in the hydrologic cycle could be represented by two ounces of water in a small glass. The quantity of water falling as annual precipitation on the land could be contained in a liqueur glass, and then, only to the extent of half an ounce. The fresh water discharged annually into the sea by rivers shows up as about five millimeters in a small hypodermic syringe. The annual recoverable ground water would be a very small drop on the end of the hypodermic needle. Our five millimeters of water contained in the syringe, representing the total discharge of rivers, is an approximate measure of the potentially available and manageable liquid water in continental areas.

Our country has an average annual precipitation of approximately 30 inches. It can, therefore, be calculated that we have an average runoff of about 4.4 trillion gallons of water per each day. Evaporation and various other natural withdrawals reduce the amount to 1.1 trillion gallons a day. Of this amount, avoidable losses such as water pollution and our failure adequately to store the water available to us, as well as unavoidable losses reduce the amount of water available to support human life to less than half the potential usable amount. It is clear that our country is not the Sahara Desert. However, our long-range water requirement forecasts indicate a possible requirement of nearly 900 billion gallons a day by the year 2000. It has been estimated that even within the next decade our water needs may exceed 600 billion gallons per day. While the dilemma of procuring usable water for our people exists practically nation-wide, it is amplified many times in the arid portions of our country, such as in the Pacific Southwest.

It is repeatedly suggested that we not plan for population growth, and force the people to go where there is water. It is undeniable that additional urban, agricultural, and industrial growth cannot take place where there is no water. While it is true that if we make portions of California, and Arizona uninhabitable, people will go elsewhere, those of us charged with the responsibility for providing water for people at the locations where the people want to be must strive with all our foresight, resources, and energy to carry out this duty, and thus prevent what probably would be an economic and social cataclysm. As our population, industry, and agriculture increased, our use of water increases. As the demands for water increase, our task becomes more difficult, as well as more crucial. Our job can be done, and will be done. Furthermore, I am convinced that its accomplishment will prove exciting, as well as fascinating.

Let us look now at a few of the areas in which the Federal Government is operating to assist in answering the challenge.

WATER POLLUTION CONTROL

In 1658 Richard Franck averred that "necessity is the mother of invention." Franck, however, did not foresee that invention would be the mother of pollution. Our ever-growing industries and communities produce more and more waste products which must be disposed of. Contrary to the thinking of many, the major use of free-running water in industrial nations is not in the productive process. Rather, it is used in waste disposal. Out of the total potentially controllable water in the United States, approximately ninety-five percent is used as a conveyor belt on which to send waste products to the sea. Such waste product disposal includes both soluble and insoluble wastes, chemical pollutants, and dispersal of waste heat.

It is easy, as well as fashionable, at this point in comments such as these to bring on the "parade of horrors." Describing the often disastrous results of our waste disposal practices in terms of disease, fish, wildlife, and plant destruction, increases in

salinity and chemical pollutants, and the like, often dramatizes and emphasizes the crisis. Those of us here today, however, need no dramatization of this dreadful problem. We realize that many of us did not understand the dangers to our environment, and, indeed, to our productive capabilities, threatened by our heretofore accepted waste disposal practices. As in so many instances, the problem was not anticipated sufficiently to be forestalled. Seemingly before we knew it, eutrophication had turned many of our once-blue lakes into beds of green slime, and our clear-running rivers into clouded, life-killing eyesores. It was not until mountains of foam clogged and discolored many of our waterways that a concerted effort was launched to correct this shameful and destructive degradation of our water resources. My friends, I am not talking merely about aesthetics. Water is used and reused many times in its travels from the mountains to the sea. It is not altogether fanciful to find some truth in the ditty: "What you threw away the other day, they'll drink tomorrow in San Jose." While some pollution is unavoidable, at least until we can train our farm animals to use plumbing facilities, we must engage in a successful effort to prevent that pollution which is avoidable.

In 1956, with the enactment of the Federal Water Pollution Control Act, the Federal Government was permitted full participation in a wide variety of pollution control activities. This program was considerably strengthened by amendments to the Act signed into law in July 1961. Another major step was the Water Quality Act of 1965, which, among other things, created the Federal Water Pollution Control Administration. Since, up to this time, water pollution was considered primarily a health hazard, the 1965 Act placed the Water Pollution Control Administration under the Department of Health, Education, and Welfare. Soon it was realized that water pollution was far more than a health hazard. Indeed, the health aspects of the problem were well on their way to being under control by the time the FWPCA was created. Therefore, the Federal Government's primary water pollution control arm was transferred to the Department of the Interior in May of 1966. In November 1966, the Clean Water Restoration Act became law. This Act, in conjunction with the Water Quality Act of 1965, signaled a new era for water pollution control in the United States. By use of a variety of programs, the Federal Government is encouraging and inspiring states and local governments to wage war on pollution. The rapid and successful conclusion of this conflict is a necessity if we are to make full use of our water resources.

Some of the programs being administered by the Federal Water Pollution Control Administration are: grants to assist in the construction of waste treatment works to prevent the discharge of inadequately treated sewage or other wastes into the nation's streams, lakes, and coastal waters; grants to state and interstate water pollution control agencies to assist in the administration of their programs, including amounts for the training of public agency personnel; grants to states, municipalities, other governmental agencies, and individuals for research and development, including amounts for projects concerned with storm and combined sewers, advanced waste treatment and joint treatment systems for municipal and industrial wastes, and methods for the prevention of pollution by industry, such as the treatment of industrial wastes; and grants intended to encourage and assist appropriate agencies, institutions, and individuals in the conduct of studies and training in research and development activities. These programs are in addition to the direct operations of the Fed-

ance. However, measurement of the evaporative and transpirative phases of this cycle with methods now available is extremely difficult. The use of infrared radiometry and imagery may provide a means to determine the average water surface temperature, and, thereby, provide a term in the heat budget equation and, also, in the water budget equation for determining the evaporative loss of water from lakes and reservoirs.

Other uses of spacecraft in remote sensing include the study of glaciers, the regional analysis of lakes and associated resources, study of coastal marine hydrology, including the determination of the distribution of the effluents discharged by the major rivers that flow into the sea, and the collection of data which may yield cause and effect relations within hydrologic systems.

The collection and analysis of data obtained from space promises to be of great economic benefit. When one considers that the total existing capital investment in water resources facilities of all types in the United States is approximately 235 billion dollars, and water resources research expenditures often near 100 million dollars in a year, the desirability of a program by which improved water resources and hydrologic data can be obtained almost goes without saying. The data obtained from such a program will be of immense value not only to the United States, but to every nation over which the spacecraft travels. The Department of the Interior already has numerous expressions of cooperation and participation from various countries around the world which see the great advantage to be derived from having this type of information about their natural resource potential. With the development of increasingly sophisticated sensors, the benefits obtained from earth resources research from space will increase with the expanded data collection and evaluation processes.

CONCLUSION

I have tried to indicate that the Federal government has embarked on a large-scale, broad-ranged program for the development and improvement of our water resources. As a member of the United States Senate, and as the ranking minority member of that body's Committee which oversees our natural resource development, the Committee on Interior and Insular Affairs, I am particularly gratified with the enthusiasm and dedication of the scientists and administrators who are participating in these programs. The public acceptance of such efforts by their government is also stimulating and encouraging. While there have been delays and shortcomings, I am convinced that we are moving in the right direction. All of us who participate in the task of providing and administering our water resources should work together to conquer waste, and strive to supply our most precious resource where it is needed by our dynamic countrymen.

GAULLISM MAY NOT SURVIVE DE GAULLE BUT THE ATLANTIC ALLIANCE WILL

Mr. KUCHEL. Mr. President, among free men there is an ineluctable unity. Whether we speak of the Allies of World Wars I and II, the Atlantic alliance, or of other agreements among freedom-loving peoples, we are talking about a larger and fundamental process of increasing harmony and cooperation among free men.

This unity is a great asset of Western civilization, and its value continues to increase. It is the foundation of our hopes for the peace and prosperity of mankind. It is still true that in union there is strength.

He who would tear this fabric asunder, Mr. President, would take away from us far more than our gold supply, precious though it may be, he would put an end to the expansion of world trade, reduce to a paper phantom the bulwark of world collective security, and stifle the tender shoots of broader international cooperation which have been so carefully nurtured by peoples of Europe and America.

Yesterday, the distinguished Copley newspapers pointed out in a major editorial how the cause of unity has been set back by the recent remarks of French President de Gaulle. The editorial said:

In the week which has followed the British devaluation of the pound, President Charles de Gaulle of France was able to assess with some accuracy the best card he could play in the game of international squeeze.

At the semi-annual ceremonial monologue which passes for a de Gaulle press conference, the French leader yesterday confirmed growing suspicions that his consuming hatred of anything American or British has almost got the better of his reason.

Where he could have provided his interest in helping a former ally, he rubbed salt into British wounds.

Again he has dictatorially vetoed Britain's entry into the Common Market, and again he has lashed out blindly at the United States of America for defending freedom in Asia and even impugning our technological superiority. He continued to fan the flames of nationalism in Quebec.

In his November 27 press conference, the President of France, once a great hero in the fight for freedom disavowed his heritage. In a series of incredibly bitter statements aimed at all of his once-prized, English-speaking allies, Gen. Charles de Gaulle regrettably reiterated his tired policy of international irresponsibility aimed at dissolving the close harmony among Atlantic nations that has stood for nearly 200 years. Even ugly undertones of racism crept into his remarks.

As the Copley editorial notes:

This is the man whose country twice within a generation was saved from complete annihilation by the military and economic aid provided by her friends.

It is certain that if the French President had not blocked, with vindictive determination, Britain's entry into the Common Market, the economic plight which brought the pound devaluation last week could have been avoided.

For months, until the French economy began to run into trouble in mid-year, de Gaulle tried to undermine the United States' economy. By turning his dollars into gold he depleted our gold reserves at an alarming rate.

Now he has in effect served notice that he will continue this policy by demanding a return to the discarded international gold standard.

Meanwhile his political overtures toward the Russians and his prompt support of the Arabs in the aftermath of the June war in the Middle East not only made his politics suspect, but also his very cerebral processes. He did not alter his stand yesterday.

France and De Gaulle can no longer be reckoned among our allies, or our friends, if they are bent on destroying Western unity. I am confident that few in Europe would follow his lead. Indeed, many in France will, I feel sure, part company with their leader. What is at stake here is not merely the economic well-being of the Atlantic community,

it is the hope for peace and prosperity in years ahead for ourselves and our posterity. The unity of two centuries will not be broken overnight, nor in a year. But let those who would misjudge its value take heed. America seeks no dominion in Europe, we seek a continued and close cooperation. The majority of Europeans share this hope and will not be misled.

The Copley papers are to be congratulated for their ringing American stand. They have sounded the call to action:

The General must be warned that he is by our standards now an enemy of the West. He is actively engaged in endeavoring to smash all the Western unity and safety built over the years.

SUBCOMMITTEE MEETING DURING SENATE SESSION TODAY

Mr. MONRONEY. Mr. President, I yield such time as may be required to the distinguished assistant majority leader.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on Investigations of the Committee on Government Operations be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Mr. MONRONEY. Mr. President, I will not take much time. The Williams amendment is the customary amendment. I have voted for it a number of times when the legislative appropriation bill was before the Senate, and he offered it to that bill. I have been a member of conference committees that have tried to work out with the House a satisfactory solution for the limitation of the stationery account with respect to stationery actually purchased or office supplies actually purchased. I have seen this proposal beaten down each time, because the House did not intend to let the Senate fix the amount of stationery they can buy or to determine whether any of the unused stationery allowance could be used for other purposes in the Representatives' offices or for their office expenses, or even for the personal use, in travel or otherwise, of the various Members.

I would support the amendment again today if it were on a legislative appropriation bill.

If we insist upon our disagreement with the House, if we put this amendment in the bill, it will be a further cause for delay, long past the New Year, in reaching any agreement.

I have sat with conferees of the House. I know their position. I know their demand that we do not dictate to them the way they handle their affairs. It is customary to receive such residual amounts of the stationery account as paid directly

to the Representative's office for use as he may see fit.

So I cannot accept this amendment to the bill. I know the dangers we will encounter in going over until after the new year. This bill contains perhaps 500 to 800 separate items, many of which are in controversy. We have resolved many of them.

I am sorry that the Senator did not appear before the committee to take up his amendment again. It is another amendment that comes to the floor without testimony, although I believe that I know the argument. I have heard him make it. I have heard him testify before the proper appropriations committee. But this is not an appropriations bill. It is a bill designed to raise nearly \$1 billion worth of revenue and to increase the pay of our nearly 3 million Federal employees somewhat closer to comparability with private industry. The pending amendment deals with the personal affairs of the House Members and the personal affairs of Members of the Senate. It is a residual item, and I believe it could well wait until consideration of the legislative appropriation bill when we return, in January, February, or March, or it could be put on a supplemental appropriation bill, where it belongs.

Personally, I take none of this amount. I return it to the Federal Government, as I believe the distinguished Senator does.

I believe that we would only be jeopardizing the final conference agreement if we were to include this amendment in the bill. We have been indulging in an exercise of futility, because I know the House position on the matter. I would not like to see the amendment encumber a bill that is so important to 3 million faithful employees who want this increase by Christmas. Practically every matter in the bill has been resolved, and this amendment would be impossible of resolution in the conference.

I yield such time as he may require to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, I have no personal financial interest in the outcome of the pending amendment, because, with more than 10½ million people in my State, the stationery allowance is inadequate. I pay hundreds of dollars out of my own pocket each year for stationery after the allowance is used up, and we cut down on our communication with our constituents the last few months before the June 30 end of each fiscal year.

I should like to see the stationery allowance increased for the States with larger populations, at least those with a population of more than 10 million.

I have been a member of the Committee on Post Office and Civil Service for 10⅓ years and have engaged in numerous conferences with the House, and I know that nothing inflames and aggravates the House Members more than our including an amendment to regulate the House allowance, to regulate the way they live.

Beginning at line 12, the amendment states what the House Members can do with their stationery allowance. When we go to conference and the House Members see that we have put in the

bill an amendment to tell them what they can do with their stationery allowance, it is a gross aggravation to the House Members. With such an amendment by the Senate aimed at House Members, we have immediately aggravated the House Members and made the matter of a conference with the House more difficult. I see no reason for needlessly slapping the House of Representatives in the face, and making the job of the Senate conferees with the House more difficult, by telling the House how they can spend their stationery money. I do not believe we should do it. I believe that any amendment relating to the House stationery allowance should come from the House. We know that there will not be any agreement with the House if that Senate amendment attempting to regulate House expenditures is in the bill, because they regard it as a personal insult. They say that the Senate has needlessly insulted them by telling them that they cannot handle their stationery allowance properly.

I believe that the amendment should be defeated, because, as the able distinguished senior Senator from Oklahoma has pointed out, this is an important bill to 3 million Federal employees, to the 200 million Americans interested in the efficiency of the American Government, and to the 200 million Americans paying postage.

No other bill considered in this session will affect more directly the pocketbook of every American. There is a tax bill, but some people are not in the income tax-paying bracket. There is a social security bill, but some people are not in the social security bracket. This postal bill affects every American, and the efficiency of Government service affects every American. There is a double effect on every American in this bill, and we should not clutter up the bill with something that raises friction between the two Houses when we go to conference. This amendment would be an impediment to completing action on the bill this year.

Mr. MONRONEY. Mr. President, the longer we are delayed, the more we will have to slip the increase forward into next year. The estimate of the committee staff is that we would lose \$17 million a week by postponing it.

Mr. YARBOROUGH. How many millions a week?

Mr. MONRONEY. Seventeen million dollars a week.

So if we stay in session and if we insist on our disagreement with the House, as the distinguished Senator from Delaware wants us to do, I can state now that the House will be adamant, as they always have been, and we will begin to lose, by this delay, \$17 million a week, because of our failure to act. Also, it would delay over the holiday season the pay increases that the Federal employees so justly deserve. This amendment would jeopardize the passage of the bill this year, and I do not believe it is worth the effort.

I have supported the Senator's amendment when it was brought up in connection with the proper bill to accomplish his purposes. But I do not want a dead cat thrown into this bill at the last minute which will prevent us from com-

pleting action on the bill before the new year.

I yield 2 minutes to the distinguished Senator from Tennessee.

ORDER OF BUSINESS

Mr. GORE. Mr. President, I ask unanimous consent to address the Senate for 2 minutes as in the morning hour.

The PRESIDING OFFICER (Mr. MONROE in the chair). Without objection, it is so ordered.

REFUSAL OF THE SECRETARY OF STATE TO TESTIFY BEFORE THE COMMITTEE ON FOREIGN RELATIONS

Mr. GORE. Mr. President, I wish to read to the Senate a motion which I submitted to the Senate Committee on Foreign Relations this morning. I requested that the motion be inscribed on the agenda of the committee for action in a subsequent session of the committee, and the committee acceded to my request. This is the motion:

I move that the Chairman of the Committee be instructed to communicate to the President of the United States the concern of the Committee about the breakdown in public communication between the Executive and the Senate which arises from the refusal of the Secretary of State to testify before the Committee in public session on United States policy in Southeast Asia.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

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Mr. MONRONEY. Mr. President, I yield such time as he may require to the distinguished Senator from New Jersey.

Mr. WILLIAMS of New Jersey. Mr. President, it would be very easy for me to support the Senator from Delaware with respect to the pending amendment. It has been my practice to return my unused stationery allowance. It has not amounted to much, but I have done it. However, I shall vote against the amendment, because I do not wish this bill to be jeopardized in any way. I believe the Senator from Oklahoma has been eloquent in his plea that if these matters are tied to the bill, we will experience difficulty in achieving agreement in conference.

Mr. WILLIAMS of Delaware. Mr. President, the argument has been made that this bill is not an appropriate vehicle on which to attach this proposal. Everybody says they are for it but that this is not the appropriate place. The same argument was made when I offered the amendment as a rider to the legislative appropriation bill. A point of order was made against it, and a two-thirds vote was required to override the point of order. I was told then that I should wait until the Senate had before it a legisla-

tive bill. Such a bill is now before the Senate.

Now, as to the argument that this proposal will delay the enactment of this bill beyond Christmas, I think that argument is utterly ridiculous. That argument proceeds on the assumption that Members of the House of Representatives or Members of the Senate, rather than give up their right to kickbacks on the stationery allowance, would kill a bill affecting a pay raise for 3 million employees. I think that is an insult to the House of Representatives. The House of Representatives is not going to say, "Either we keep our right to stationery kickbacks, or we will kill the bill."

Mr. President, this amendment is in two sections. One section deals with the Senate and would require Senators to comply with the rules of automatically turning back whatever is remaining on expenses allowances. The second section deals with the House of Representatives and would impose the same requirement on them.

If my friends on the other side of the aisle who spoke for the amendment, but who would vote against it, are so concerned about the House of Representatives, all they have to do is vote for the amendment, and, if our conferees in conference cannot persuade the conferees from the House of Representatives to accept all of the amendment, then they can keep that portion that deals with the Senate alone. The House of Representatives has repeatedly said they have no concern over what we do in the Senate. Therefore, let the Senate come back with the provision applicable to the Senate, and at least let us put our house in order.

If we do not want to put our house in order let us not hide behind the cloak of placing responsibility upon the House of Representatives. This is not the responsibility of the House of Representatives on this vote. We are doing the voting. If we are for the amendment let us vote for it. If we are against the amendment let us vote against it.

If the conferees cannot retain all of the amendment then let us settle for that portion of the amendment which affects the Senate.

If the amendment is returned from conference with only that portion which is applicable to the Senate I would accept that portion without objection. As far as I am concerned, that eliminates that part of the argument.

Mr. President, I am ready to vote. If the Senator from Oklahoma is prepared to yield back the remainder of his time, I am ready to yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I shall yield back the remainder of my time in a moment.

I still respect the Constitution of the United States and it provides that each House shall be in charge of its own rules. This is not an appropriation bill appropriating x dollars for Senate use and x dollars for House use. This proposal is attached to a bill that affects not only the Senate and the House of Representatives jointly, but it also affects the executive department, the legislative department, and a substantial number of civil-

ian workers in our great military department.

If Senators believe in orderly parliamentary procedure they would not jeopardize a bill that would be so effective by throwing in this "dead cat." I have voted for this measure every time it has been before us in proper form. I have insisted on it in conference time and again. I do not know how long we are expected to penalize other people by holding out for this measure. The Senator knows and I know that the House of Representatives is not going to accept it. Therefore, I ask that the amendment be defeated.

Mr. WILLIAMS of Delaware. Mr. President, this measure has been referred to as a "dead cat." This bill before us was originally a postal increase bill, and later it became a salary increase bill, with the salary increase taking three times the revenue. It also embraces additional life insurance for Government workers. There are many provisions in the bill relating to various employees.

To proceed on the premise that either Congress is going to insist on its right to take these annual kickbacks on the stationery allowance or the bill will be defeated, in my opinion, is placing a low estimation on the caliber of Congress. I have a far higher opinion of Congress than that.

Certainly in connection with private industry Congress passes laws requiring every businessman in America to itemize on his tax returns his expense account in order to claim deductions. That accounting provision is now applicable to every American citizen except Members of Congress. Members of Congress should have an allowance for stationery, but that portion of the allowance that is not needed does not belong to us.

I say that we should extend to ourselves the same requirements imposed upon the 2 million employees who are not permitted the privilege of sticking their expense account money in their pockets.

Mr. President, let Congress tell the American taxpayers that we are willing to live by the same rules.

Mr. MONRONEY. Mr. President, I am prepared to yield back any time I have remaining.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. YARBOROUGH. Mr. President, I wish to call attention to section 46(a) of the Senate Manual which states:

Commencing with the fiscal year 1964 and thereafter the allowance for stationery for each Senator and for the President of the Senate shall be at the rate of \$2,400 per annum.

As Senators know, out of that allowance there is paid the cost for all stationery, carbon paper, typing paper, mimeograph paper, pencils, ink, notebooks, tablets and similar office supplies. There is provided, under that provision, \$200 per month for a Senator to attempt to communicate with, in the case of my State, 10,700,000 people, and it is impossible to do it on a \$200 a month allowance. Each year I use all of the allowance and in addition I pay hundreds of dollars out of my pocket. We scrounge

through the office and find whatever paper and copy paper second sheets we can find to serve the purpose. We slow up communication to our constituents in the closing month of each fiscal year. Constituents write to us and say, "You do not send out information on subjects." We have groups who are interested in veterans benefits; they write and they say, "Won't you please write to us and inform us of the provisions of veterans bill." The stationery allowance is wholly inadequate for a Senator to try to advise his constituents in a State such as mine, of pending legislation.

Mr. President, I have no personal financial interest in the amendment. We have such a low allowance we cannot communicate with all of the people in my state. But I think the amendment harms the bill and is the wrong proposal at the wrong time. I think it clutters up the bill when we are all hoping to finish the bill this year. It is a very minor amendment which adversely affects a major piece of legislation, which we are anxious to get to the White House for signature.

Mr. WILLIAMS of Delaware. I agree with the Senator from Texas that in large States the stationery allowance of \$2,400 is not too large. If the amount is not sufficient to cover legitimate expenses, I would support an increase. I think the Government should underwrite the stationery allowance for all States.

All I am saying is that to the extent any portion of the allowance is not needed or used for the purpose for which it is allowed, that amount does not belong to Members of the Senate; it does belong to the Treasury and the American taxpayer.

I yield back the remainder of my time.

Mr. MONRONEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Louisiana [Mr. ELLENDER], and the Senator from New Hampshire [Mr. McINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. McGEEL], and the Senator from Missouri [Mr. SYMINGTON], are necessarily absent.

I further announce that, if present, and voting, the Senator from Maryland [Mr. BREWSTER], and the Senator from Connecticut [Mr. DODD] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Iowa [Mr. MILLER] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Iowa [Mr. MILLER] and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 64, nays 24, as follows:

[No. 354 Leg.]

YEAS—64

Aiken	Gore	Moss
Allott	Griffin	Mundt
Anderson	Gruening	Murphy
Baker	Hansen	Nelson
Bayh	Hatfield	Pastore
Bennett	Hickenlooper	Pearson
Bible	Hollings	Pell
Boggs	Hruska	Percy
Brooke	Inouye	Prouty
Burdick	Jackson	Proxmire
Byrd, Va.	Javits	Randolph
Byrd, W. Va.	Jordan, Idaho	Ribicoff
Cannon	Kennedy, N.Y.	Smith
Carlson	Kuchel	Spong
Case	Lausche	Talmadge
Church	Magnuson	Thurmond
Cotton	Mansfield	Tydings
Curtis	McClellan	Williams, Del.
Dirksen	Mondale	Young, N. Dak.
Dominick	Montoya	Young, Ohio
Fannin	Morse	
Fong	Morton	

NAYS—24

Bartlett	Holland	Monroney
Clark	Jordan, N.C.	Muskie
Eastland	Kennedy, Mass.	Russell
Ervin	Long, Mo.	Smathers
Harris	Long, La.	Sparkman
Hart	McCarthy	Stennis
Hayden	McGovern	Williams, N.J.
Hill	Metcalf	Yarborough

NOT VOTING—12

Brewster	Fulbright	Miller
Cooper	Hartke	Scott
Dodd	McGee	Symington
Ellender	McIntyre	Tower

So the amendment of Mr. WILLIAMS of Delaware was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. AIKEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. The Senator from Nebraska.

COMMITTEE MEETING DURING SENATE SESSION TODAY

Mr. MANSFIELD. Mr. President, will the Senator yield briefly to me?

Mr. CURTIS. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary be allowed to complete the hearing it is now having with the witness who is in the chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

MOTION TO RECOMMIT WITH INSTRUCTIONS

Mr. CURTIS. Mr. President, I send a motion to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the motion.

The assistant legislative clerk proceeded to read the motion.

Mr. CURTIS. Mr. President, this motion is offered in behalf of myself and the distinguished Senator from Delaware [Mr. WILLIAMS].

I ask unanimous consent that the reading of it be waived and that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion is as follows:

MOTION TO RECOMMIT BY MR. CURTIS FOR HIMSELF AND MR. WILLIAMS OF DELAWARE

Mr. President, I move that the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal government, and to regulate the mailing of pandering advertisements, and for other purposes, be recommitted to the Committee on Post Office and Civil Service, with instructions to report the said bill back to the Senate as soon as practicable, with such amendments as may be necessary to provide for revision of increases in salary rates which are in excess of \$8,000 per annum so that (1) no rate in excess of \$10,000 will be increased, (2) no increase will cause any rate to exceed \$10,000, and (3) increases in rates in excess of \$8,000 but not in excess of \$10,000 will, to the extent possible, reflect appropriate relationships between rates, until such time as—

(1) the receipts of the government for the preceding fiscal year have exceeded the expenditures of the government for such year, as determined by the Bureau of the Budget; or

(2) the budget submitted to the Congress by the President under the Budget and Accounting Act, 1921, reveals that estimated receipts of the government for the fiscal year for which the budget is submitted are in excess of the estimated expenditures of the government for such fiscal year.

Mr. CURTIS. Mr. President, each Member of the Senate will find a copy of this motion on his desk. I believe I can explain it very briefly. It is not my purpose to have a prolonged debate on this subject.

I can tell Senators very briefly what it does. It is in the nature of a motion to recommit, but it would not materially delay the consideration of the bill. I put the motion in this form because it might call for a rewriting of some of the tables and certain sections in the bill.

But here is what the motion would do. If this motion to recommit is carried, the committee will report the bill back as soon as practicable, which I imagine would be in a few hours, providing that every Government employee who is paid \$8,000 or less will get his pay raise as provided in the bill. It will also mean that those Government employees who receive \$10,000 or more will have their pay raise deferred until the budget is balanced.

Employees receiving between \$8,000 and \$10,000 will get part of their increase. In other words, there is a phasing in there.

Adoption of the motion will mean that every worker, every letter carrier, all of the employees in the lower brackets, will be unaffected. They will get their pay raise.

The distinguished chairman yesterday made an eloquent plea in behalf of the

postal workers who are carrying the mail and will be doing such an unusual job this December. This motion will not interfere with their complete pay raise.

The distinguished chairman has informed the Senate that the median-paid Government employee receives \$6,800. My motion provides that all those employees drawing \$8,000 or less will get the full benefit of this bill according to its terms. Those who get \$10,000 or more will have to wait until the budget is balanced. Those receiving between \$8,000 and \$10,000 will get part of their increase and will have to wait until the budget is balanced for the full increase.

Mr. President, I do not need to remind this Chamber that we are at war. I do not need to remind this Chamber that we are facing the largest deficit of all time. I do not need to remind this Chamber that the pressure is on to increase taxes.

But there is something else involved. This would be the first time to my memory that we had ever offered an incentive pay increase—I repeat, an incentive pay increase. It would mean that all of the employees in the upper brackets in Government, if they did their little bit to balance the budget, would get a substantial pay increase at the end of the road, one in which the percentage was compounded, at least in the first two steps. It would mean that everybody in the bureaus who was dreaming up new schemes to expand his bureau would have an incentive to operate with restraint. It would mean that every individual who is in charge of purchasing supplies, who, when the end of the fiscal year comes along, spends all the money he can so he will not be cut next year, would have an incentive to operate with restraint, because if he did his part, there would be a substantial pay increase at the end of the road.

Now, I do not wish to be misunderstood. There are many dedicated public servants in our offices and in the bureaus elsewhere who, day in and day out, do all that they can to hold down the expenses of government. There are some who do not. There are people on Capitol Hill who, in order to expand their domains, are urging upon committees and subcommittees further action, further legislation to help them build a bigger empire.

Let us give those people an incentive to do their part in balancing the budget. Mr. President, this motion to recommit is not a repudiation of the committee. I am not unaware of the long hours of painstaking work that have gone into this bill. It merely says that a part of its benefits shall be delayed until we balance the budget.

How do we determine when the budget is balanced? We provide that these increases will be delayed until first, the receipts of the Government for the preceding fiscal year have exceeded the expenditures of the Government for such year, as determined by the Bureau of the Budget; or, second, the budget submitted to the Congress by the President under the Budget and Accounting Act, 1921, reveals that estimated receipts of the Government for the fiscal year for which the budget is submitted are in excess of the

estimated expenditures of the Government for such fiscal year.

Mr. President, a vote for this motion is a vote saying that we are not going to increase the salaries of those members of our own staffs who are in the upper brackets until we put our financial house in order. How much more do we want to happen in this country before we really get in earnest about saving money?

We know what has happened to the English pound. We know what is happening in the way of eroding the value of the dollar. The people of the country know about the rising cost of living, even if we do not. I beg of you, let us postpone the pay increases for everyone who receives more than \$10,000 a year until the budget is balanced, give the full pay increase for those who receive \$8,000 or less, and a proportionate partial increase to those in the bracket in between. That is necessary in order that the plan work in an orderly fashion.

Mr. President, we have passed many pay increase bills. We often provide a pay increase in stages, and then, before all the steps are taken, we have another pay increase added to it.

Every time a pay increase bill comes before the Senate, there is an impassioned plea made in behalf of the "person down below"—though he draws more than most of the people back home draw in salary or income—the individual who makes less than \$8,000, the individual who does the hard, manual work to carry on the burden of the Government.

This motion, Mr. President, will take care of all of those people. Half of the employees of this Government draw less than \$6,800; so more than half of them would be unaffected by this motion.

It really comes down to this: Shall we, without restraint, increase the salary of every Government worker and official, in wartime, at the time of the highest deficit in history, at a time when inflation is rampant?

Many of us have reluctantly voted for some pay raises in the past because there were so many individuals who desperately needed and deserved a raise. Here is our chance to apply the raise as provided in the bill for more than the lower one-half, from the standpoint of pay scales. It is also a chance for the Senate to recognize that we are at war, that inflation is rampant, that the President of the United States—yes, and many of the people—are pressing upon Congress for a tax increase; and I believe that the vast majority of the people strongly favor a reduction in expenditures.

The amount of money that this motion would save is a small part of it. The great bureaucracy that we have abroad administering foreign aid is filled with officials who, wanting to see their empires maintained, keep recommending more programs, and programs are established and go forward in manners that are not carefully watched and controlled. Under this proposal, those officials and employees would have an incentive to do better, because when they get the budget balanced, they will receive a pay increase.

I expect an eloquent answer to what I have said here, in behalf of Government

employees who feel they ought to have a pay raise, that we ought to be comparable with industry, and all this and that. I do not dispute that. All I say to my fellow Senators is, "If you believe in such an argument, let us raise the money now, and not charge it to our children and our grandchildren."

I have little respect for the individual who says, "Oh, this is in the public interest; it must be done now," and then will not pay for it. If Senators believe that something is vital and important to good government, let us do it and pay for it, and not resort to looting the Treasury over and over again.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. WILLIAMS of Delaware. Is it not a fact that the Senator's motion would still extend to all Government employees receiving \$8,000 and under all the benefits of the three-stage increase provided in the pending bill?

Mr. CURTIS. That is true; and the other benefits are not dealt with in this motion at all.

Mr. WILLIAMS of Delaware. One further question. The only effect of the Senator's motion is that those in the top bracket, those receiving \$10,000 and over, those who are responsible for the administrative decisions and the management of this Government, those who are responsible for the deficits and the vast spending programs, those making the policymaking decisions, would have the responsibility of putting our financial house in order; and then when that is done they, too, would receive the benefit of the increases provided in this bill?

Mr. CURTIS. That is correct.

Mr. WILLIAMS of Delaware. And until such time as those of us who are responsible for the policy decisions do cooperate in putting our financial house in order, our salaries will not be raised and charged up to our grandchildren and the future generations?

Mr. CURTIS. That is correct.

Mr. WILLIAMS of Delaware. Mr. President, I believe that adopting the principles embodied in the Senator's motion would have a wholesome effect far beyond the amount of dollars involved, because it would place a direct incentive before every policymaking official in the Government to try to reduce the cost of Government by eliminating waste in his department and other departments and to try to bring our Government into an orderly fiscal position so that not only would we have a balanced budget and some degree of financial sanity in this country, which would help combat inflation, but at the same time, from purely selfish motives, they would be working hopefully toward the day when they could receive a salary increase. Until such time as that is done I do not think any of us deserve a salary increase.

Mr. CURTIS. Mr. President, I thank the distinguished Senator.

So far as my memory serves me, this is the first time the Senate will have had an opportunity to vote for the principle that everybody in Government drawing

a salary of \$10,000 or more will get a reward as soon as we balance the budget.

I call attention, Mr. President, to the cost involved in paying the interest on the national debt. This year the cost is \$14.2 billion.

When we stop to realize what we could do with \$14.2 billion, we realize that we could pay all the veterans' benefits and services, all highway costs including interstate highways, all costs of civil functions of the Army Engineers, all costs of the Bureau of Reclamation, and all costs of running Congress and the courts, and still have money remaining from what the people have to pay in interest on the national debt.

Mr. WILLIAMS of Delaware. Mr. President, I notice from an item on the wire service outside the Senate Chamber that the Secretary of the Treasury is now testifying before the House Ways and Means Committee. He has advised that Committee that unless some action is taken to bring the fiscal position of this Government under better control we are not just facing inflation in the future, but we have it now, and it will soon be out of control.

We are also advised that the interest charges next year will be substantially higher than they are even today. So I think it is mandatory upon this Congress to take some affirmative steps to start putting our house in order. This certainly is the very minimum step that we can take in that direction.

Mr. CURTIS. Mr. President, I thank the Senator.

I would like to have the attention of the committee members for one moment. The motion recognizes the great amount of detailed work that has gone into the pending bill and the dedication to the task. It does not repudiate the judgment of the members of the committee. It merely injects the further principle that we will withhold putting this part of the measure into effect until our budget is balanced.

I hope that no member of the committee will rise to defend what the committee has done and oppose the motion with any thought that it means to upset the work of the committee. It does not. The committee can report this matter back in a matter of hours.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. LAUSCHE. Mr. President, the Washington Daily News of a day or two ago published an editorial entitled "De Gaulle and U.S. Dollar."

It so precisely describes the plight of our country that I should like to read a part of it.

It reads in part:

One of the things about Gen. de Gaulle that grates on the nerves is that many of the things he says are true.

When he says, as he did yesterday, that the American dollar is vulnerable and that it may go the way of the British pound sterling if the U.S. continues its economic and fiscal policies, he was drawing on historical experience and applying common sense.

Few of the modern-day world currencies have been devalued as often and as drastically as the French franc, and always for the

same reason—that France did not govern itself with proper self-restraint.

The British have been less irresponsible, so British devaluations have been less frequent and less drastic.

America, in proportion to its vast resources, has been even less irresponsible than France or Britain. But if we continue to spend money we do not have, for things we are unwilling to tax ourselves to pay for, then the American dollar too will lose in value.

Over the last 35 years, we have had the New Deal, the Square Deal, the New Frontier and the Great Society, all financed substantially on borrowed money. In the same period we have engaged in World War II, the Korean War and now the Vietnam War, likewise financed. In those 35 years, our national debt has risen from \$19 billion to more than \$340 billion. It all has to be paid for, either in taxes or in erosion of the purchasing power of the dollar.

It used to be America's proud boast that "the dollar rings true on every counter in the world." How true for how long depends on how we protect it—something that for the last generation we have not been doing.

Mr. President, the article from which I have read in part concisely and accurately points out the path which we have been traveling, a path which, in my opinion, will inevitably lead to the devaluation of the dollar or to such inflation that bank deposits of thrifty people, Government bonds, and retirement payments will be eroded to the point that the poor retired minister, schoolteacher, and worker will be robbed of everything that has been promised to him.

It is easy to spend money. It is difficult to tax. What we are doing is urging a mad rush for spending. However, we are unwilling to impose taxes to provide the money with which to pay for the spending.

Mr. President, I ask unanimous consent that the editorial to which I have referred to be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News,
Nov. 28, 1967]

DE GAULLE AND THE U.S. DOLLAR

One of the things about Gen. de Gaulle that grates on the nerves is that many of the things he says are true.

When he says, as he did yesterday, that the American dollar is vulnerable and that it may go the way of the British pound sterling if the U.S. continues its economic and fiscal policies, he was drawing on historical experience and applying common sense.

Few of the modern-day world currencies have been devalued as often and as drastically as the French franc, and always for the same reason—that France did not govern itself with proper self-restraint.

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America, in proportion to its vast resources, has been even less irresponsible than France or Britain. But if we continue to spend money we do not have, for things we are unwilling to tax ourselves to pay for, then the American dollar too will lose in value.

Over the last 35 years, we have had the New Deal, the Square Deal, the New Frontier and the Great Society, all financed substantially on borrowed money. In the same period we have engaged in World War II, the Korean War and now the Vietnam War, likewise financed. In those 35 years, our national debt has risen from \$19 billion to

more than \$340 billion. It all has to be paid for, either in taxes or in erosion of the purchasing power of the dollar.

It used to be America's proud boast that "the dollar rings true on every counter in the world." How true for how long depends on how we protect it—something that for the last generation we have not been doing.

As for de Gaulle on other subjects—

HE WAS LESS ACCURATE

Elsewhere in his semi-annual press conference Gen. de Gaulle was much less mindful of history and common sense.

He again encouraged independence for Canada's French-speaking Quebec province, a blatant interference in the internal affairs of a friendly country. He ordered Britain to overhaul its entire economy before attempting entry into the European Common Market, an affiliation which would be profitable to both Britain and the Common Market. He claimed the Arab-Israeli War in June would not have occurred if the United States had not "intervened" in Vietnam, a wholly fictitious presumption.

And altho the evidence runs to the contrary, Gen. de Gaulle denied France had anything to do with the run on the British pound, which helped bring about the devaluation, or that he was trying to undermine the dollar, which would be dangerous to France as well as the U.S.

In trying to make gold (which France has been hoarding) the sole basis for Free World trade, Gen. de Gaulle also would disrupt the present basis of trade which by long-standing agreement stands jointly on gold, the dollar and the pound.

One thing he grandly ignored, however, was an old item on the international books: France's debt to the United States dating back to World War I when the U.S. came to his country's rescue. That debt, with interest, now is more than \$6.8 billion—and altho the U.S. has not insisted on repayment, the debt hasn't been waived, either.

Mr. CURTIS. Mr. President, I thank the distinguished Senator from Ohio for his remarks.

As to the gloom expressed by that editorial, I should like to quote the words of the immortal Lincoln:

As a nation of free men, we will live through all time or die by suicide.

The most progressive suicidal tendency in this country so far as the Government is concerned is uncontrolled spending and debt.

Mr. President, I am not condemning the dedicated, faithful, hard-working individual in Government who makes more than \$8,000 or \$10,000 and who tries to save money.

I daresay that all of those people want the budget balanced. This proposal will give a chance to all of them to work for a balanced budget. They would then get a handsome pay increase.

At the same time, the motion provides for the pay increase worked out by the committee for everyone drawing under \$8,000, and between \$8,000 and \$10,000 they will get part of the increase.

Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. CURTIS. Mr. President, I temporarily yield the floor.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. Mr. President, is there a time limitation on the motion?

The PRESIDING OFFICER. There is no time limitation on the motion.

Mr. MONRONEY. Mr. President, I yield such time as he may require to the distinguished minority member of the committee, the Senator from Hawaii.

Mr. FONG. Mr. President, the committee has worked long and arduously on this bill, and it has produced a very fine bill. The amendment which has been presented by the Senator from Nebraska should be defeated.

Why should we take it out on the poor Government employees to balance the budget? What have the Government employees to do with the deficit we are now incurring? Federal employees are not responsible for our governmental deficit. Why should we take it out on them?

In 1962, we promised the Government employees that we would make their salaries comparable to those paid in private industry. This bill would give them comparability with private industry in 1969—7 years after we promised them comparability. We made this promise in the Federal Salary Reform Act of 1962, and because of the continuous annual Federal deficit, we have not been able to give them comparability. Now, we are attempting to give them comparability in three stages, so that by 1969 they will have comparability, based on the most up to date statistics available at that time.

It is long past time for Congress to keep faith with our Federal employees and to keep faith with our promise to them.

Looking at this amendment, I cannot see any reason for saying that an employee who receives below \$10,000 a year is entitled to his increase, that another employee who receives \$10,001 should be deprived of the increase because we have not been able to balance the budget; furthermore, that the employee who receives \$10,001 will receive his increase after we have balanced the budget.

We have not balanced the budget since 1960. We balanced the budget in 1956, 1957, and 1960, but for the past 7 years the budget has not been balanced. Since 1959, when I began my service in the Senate, I know of at least four pay raises we have given to Government employees; and never yet have we said to one group of Government employees, "Since you receive more than \$10,000, we are going to hold up your increase; but if you receive less than \$10,000, we are going to give you the increase."

Why should we make fish of one and fowl of the other? We should treat all these dedicated Government employees equally and say that they all deserve a raise, in line with the comparability principles we voted in 1962. We should say, "The Senate committee has gone into this matter thoroughly, we have received evidence from all sources, and we find that, salarywise, Government employees are far below comparability with their counterparts in private industry."

In fact, Federal employees who are receiving more than \$10,000 a year in salary are now further from comparability than those who are receiving less than \$10,000. In the lower grades we are

very close to comparability, but in the higher grades we are 15 to 21 percent below comparability.

I believe that the amendment offered by the distinguished Senator from Nebraska is discriminatory and arbitrary, and I urge that my colleagues reject it.

I helped write the comparability principle into the 1962 pay bill as a member of the Senate Committee on Post Office and Civil Service. I was convinced at that time that in all fairness Federal employees should be paid the same salaries paid for substantially equal work in private industry. This bill would reach that stage in 1969. The effect of this amendment would be to wipe out that possibility.

Mr. President, as a member of the Committee on Post Office and Civil Service I wish to commend the chairman of the committee, the senior Senator from Oklahoma [Mr. MONRONEY], for his diligence in guiding the bill through the many long hours of public hearings and the days of executive committee sessions where we attempted to iron out the differences we had on the provisions contained in H.R. 7977. I wish also to commend the senior Senator from Kansas, [Mr. CARLSON], who is the ranking minority member of the committee, and all other committee members for their counsel and guidance in working on this bill.

Although this is an excellent bill, one which will raise much needed revenue for our Post Office Department and will also bring the salaries of almost 2 million Federal classified and postal employees closer to comparability with their counterparts in private industry, I do have a few reservations about certain specific provisions in both the postal rates and salary sections of this legislation.

Under title II, Federal classified employees will receive a 4.5-percent salary increase across the board effective October 1, 1967. They will also receive additional increases in July 1, 1968, and in July 1, 1969; the end result being the achievement of comparability with their fellow workers in private industry.

Postal employees will receive a 6-percent increase effective October 1, 1967, an additional 5 percent on July 1, 1968 and whatever amount is necessary to bring them up to full comparability on July 1, 1969.

The comparability principle voted by Congress in the Salary Reform Act of 1962 should be realized in 1969.

During committee debate on the pay provisions of this bill I made a motion to increase the salaries of all Federal classified employees to 6 percent, effective October 1, 1967, rather than the 4.5 percent voted by the House. This 6 percent is the same amount voted for the Federal postal employees. My motion was not adopted and I shall not make that motion here, because I think we have the best bill we can get at the present time. But I do serve notice that I shall monitor the actions of the agencies charged with executing the catchup provisions of this bill to insure that full comparability is reached for all Federal classified and postal employees by July 1, 1969. This is a matter in which our Fed-

eral Government and the Congress must keep its pledge to these dedicated public servants.

The fight to achieve salary comparability for Federal employees with their fellow workers in private industry has been a long, hard fight. It is not yet over, but by passing this bill with its three-stage increase, Congress will come as near as is presently possible to keeping its faith with the Federal employees.

Realization of comparability can be seen on the horizon, and I urge the Senate to pass this bill with its three-stage increase.

Turning to the subject of postal rates, I believe the increase in air mail letter rates of 10 cents is too large. The present rate is 8 cents per ounce. Under the present rate the Post Office Department recovers 105 percent of the costs for handling air mail letters. The Post Office Department will be recovering 119 percent of the costs under the 10-cent rate. I proposed in committee that the new rate be nine cents—this was the rate recommended by the administration. However, my amendment did not carry in committee.

I am pleased, however, with the language in the committee report on this bill, calling for the movement of first-class mail by the most expeditious means available. This action allows all first-class mail traveling long distances, such as between Hawaii and continental United States, to travel by air on a space available basis.

I understand that all first-class mail traveling between Hawaii and the west coast now, is transported by air on a space available basis. I ask the distinguished committee chairman whether mail traveling between the west coast gateway cities and major interior and east coast cities also is being airlifted on a space available basis.

Mr. MONRONEY. I am happy to say to my distinguished friend, the Senator from Hawaii, that, thanks to his enthusiastic insistence upon the airlift, with the passage of this bill 99 percent of it will be airlifted between New York and the west coast, and beyond to Hawaii or to Alaska. I expect this to be almost 95 percent complete on movement of first-class mail between any points in the United States—and by that I mean the 50 United States, and not just the 48 contiguous States.

As a result of the great effort by the Senator from Hawaii and his insistence that it is foolish to send first-class mail for Hawaii by railroad for a 5-day trip and they fly it for 3 hours to Hawaii, we have this provision in the bill. The Senator's insistence upon the mail being airlifted from New York to Los Angeles or Seattle or San Francisco, and dispatched onward, will be realized and achieved.

Mr. FONG. This would mean that a letter with first class postage would be treated almost the same as an air mail letter?

Mr. MONRONEY. That is correct. I read from the report:

PRIORITY MAIL

The Postmaster General is to be commended for the actions he has taken this year to airlift first-class mail in order to improve

postal service to American citizens in anticipation of the increased rates of postage provided in this bill. Earlier this year the Department began a vigorous program to provide airlift of first-class mail on a space-available basis when air was the most expeditious means of transportation available. This has resulted in substantial improvements in service, especially for first-class mail going relatively long distances. The amount of first-class mail being carried this year as of the end of September, compared with the same period last year, has increased 254 percent on the domestic trunklines and all cargo carriers and by an astounding 591 percent on the local service carriers.

The Senator can be assured, with this giant movement from trains that no longer exist, that first-class mail will have priority handling and will fly from Washington, New York, or any other place in the contiguous United States to the gateways of Hawaii and Alaska and be airlifted on both ends of the trip.

Mr. FONG. I thank the Senator.

Mr. MONRONEY. The insistence of the Senator has been of great help in achieving this superior service.

Mr. FONG. I thank the Senator for his kind remarks. He has been very instrumental in obtaining first-class by airlift as far as possible.

Mr. MANSFIELD. Mr. President, will the Senator yield so that I may make a unanimous-consent request?

Mr. FONG. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the Senator's remarks, there be a time limitation of 20 minutes on the pending motion, the time to be equally divided between the Senator from Oklahoma [Mr. MONRONEY], the manager of the bill, and the Senator from Nebraska [Mr. CURTIS], the initiator of the motion.

Mr. CURTIS. How much time?

Mr. MANSFIELD. Ten minutes on each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I thank the Senator for yielding.

Mr. FONG. Mr. President, this type of mail service is essential to the people of Hawaii. Correspondence with our families, friends, and business associates on continental United States must be transported as quickly as possible.

We have a long tradition of using air mail service because of our insularity. However, I also believe that the people in Hawaii and those in other comparatively isolated places served predominantly by air, should also have an alternative mail service in view of the increased airmail rates being enacted.

The Senate Post Office and Civil Service Committee report on H.R. 7977 presents an excellent alternative, one which the Post Office Department has already instituted on certain mail routes.

I urge that the Committee on Post Office and Civil Service stay in close touch with the Post Office Department to monitor the movement of first-class mail by air on a space-available basis. This is a service that is sorely needed by our postal patrons and I commend the committee for its position in this matter.

During the hearings on the third-class rate provisions of this bill I was impressed by the argument of the third-class mail users that the per-piece rate for third-class regular bulk mail under the House bill would impose a severe burden too soon on them. Under the House bill the per-piece rate for such mail would be increased by 32 percent on January 7, 1968. Such an increase in one fell swoop on these mail business houses would be drastic. I believe that if such an increase is to be imposed it should be phased in over 3 years—this is the same treatment given second-class mailers of newspapers and certain other publications. The Senate committee voted to increase this rate by an additional two-tenths of a cent, but phased in over a 2-year period.

I am still convinced that this increase should be held at the House level of 3.8 cents and phased in over 3 years. I believe this group of mail users provides a real service to the American public and as an employer of hundreds of thousands of Americans its position should not be jeopardized by such a drastic increase in such a short period of time. A reasonable adjustment period in line with other sections of the bill would be to phase the increase in over 3 years.

Again, I commend the chairman for his hard work on this legislation, and the distinguished ranking minority member, the senior Senator from Kansas [Mr. CARLSON] for his counsel during our deliberations. I urge that the Senate and House act quickly on the bill so that it can be sent to the President as soon as possible.

Mr. President, now that we are on a time limitation, I ask that my comments on "Magazines as the Melding Force in Democracy" be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The views presented by Mr. FONG are as follows:

MAGAZINES AS THE MELDING FORCE IN DEMOCRACY

The power of Congress to legislate postal rates is one we should exercise with ever-increasing care and deliberation.

Because of the concepts of the postal service since Colonial times, and because of the manner in which Congress has used its postal rate making power, we have made the United States the greatest nation of communicators in history. Insofar as we can, we should keep it that way.

In testimony on the bill pending to raise mail rates, the Postmaster General reports that with six per cent of the world's population, this country originates and distributes more than one-half of the world's mail.

In the 10 years through 1966, the mail volume rose from 56 billion to 76 billion pieces of mail. It will be more than 82 billion in the next fiscal year and will top 100 billion pieces in 1976.

Our wise postal policies through the decades have encouraged this growth in the use of the mails. We have many tangible assets of great value as a result. Despite some congestion and delay, our first class mail service is the finest in the world, considering its load and geographic reach.

We have a healthy newspaper publishing industry serving local and regional areas with information, opinion and entertainment. We have a truly national press in the magazine publishing industry which serves the broad range of all our interests as a

nation. We have a prosperous multi-billion dollar direct mail and parcel post industry that contributes substantially to our economic development.

I would like to speak particularly to the development of American magazines as a true national press, filling a need and functioning in a manner not duplicated in any other nation at any time.

Each of us must have a number of current magazines on our desks right now, for information, interpretation, or reference. We may get two or three general interest magazines at home, perhaps one or two business publications, a farm journal, fraternal magazine, a religious periodical. We know our wives read homemaker, fashion, and garden magazines, maybe one or two others of special interest to them. And our children get one or two magazines edited for their particular interests.

The chances are that almost all of these magazines reach us at home or office through the mail.

Many people, when discussing magazines, tend to think of the dozen or so whose names are household words, whose circulations run into millions, whose advertising revenues are very large. These are the general circulation magazines, but the majority of our magazines are comparatively small, specialized magazines which have great meaning to selective and significant audiences, which in total account for millions of readers, most of them people of purpose and with influence on the cultural, economic and political course of the country.

These are magazines of contemporary thought, religion, science, farm, industry, fashion, news, travel, business, music and arts, home service, homemaking, children and youth, sports and outdoors, special interest to women and many more.

Their audiences are men and women of decision, leaders who make the news, observers of public affairs, students of economics, citizens in search of political enlightenment; audiences of farmers, followers of a religion, parents in search of better ways to rear their children, newlyweds creating homes and families.

And remember this highly significant point. These audiences are distributed throughout the breadth and length of this land, in every state—truly national audiences served by a truly national press, the magazines.

While the magazine industry is a mirror of American life, it is also a highly competitive business. A periodical must find and retain an audience or it cannot survive. It must meet the payroll to continue. There have been a number of famous failures that can be recalled to mind, among them Collier's and Coronet. The tastes of the public change. Advertisers are most reluctant to part with their promotion dollars, and a publisher is in competition with a myriad of counter attractions when he seeks to persuade a reader to invest his money in a subscription. A magazine must find a place in the life of its readers or die a premature death. Even the most popular magazines, with a vast national audience, must keep coming up with stimulating editorial material or the race is lost.

Periodical circulation has continued to rise as the population increased, as technological developments and industrial diversification created new audiences for specialized business and professional publications, and as a more affluent and leisured society provided new markets for magazines serving a wide range of cultural and recreational interests.

Continued improvement in editorial quality, better design and vigorous promotion have enabled periodicals to increase circulation despite competition for the reader's time from television, inexpensive marketed

paperbound books, and various other types of leisure activity.

The periodicals' share of the advertising dollar has been gradually shrinking although receipts from advertising have steadily increased. About 47 per cent of total national advertising expenditures in 1966 went into television and its share may grow as the use of color increases. This total was up 4.4 per cent while magazines share went down 3.6 per cent in the 1962-1966 period.

The power of Congress to legislate postal rates is one we should exercise with ever-increasing care and deliberation. We have exercised this power from the birth of our nation to encourage communications. We have seen a healthy vigorous magazine publishing industry develop under these policies of encouragement—an industry which depends upon the Post Office for distribution of three billion copies of product annually. So postal rates are an important item of cost.

In sum, we are talking here about a decision of considerable economic import, and, considering the political and philosophic value of an independent press, one of unmeasured—and probably immeasurable—consequences.

A low rate of postage for periodical publications disseminating ideas to the reading public has contributed tremendously to our American mass education.

Magazines are a major factor in unification of the nation, a great melding force to work the will of the electorate, the will of a majority of the people. They are part of our national press. Our great responsibility is to see that we do not stifle it, but act wisely that its continued growth may be fostered for our own strength and progress, and for the generations to come.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. FONG. I yield.

Mr. CARLSON. Mr. President, I do not believe we are on a time limitation until the conclusion of the Senator's statement.

The PRESIDING OFFICER. The Senator is correct.

Mr. CARLSON. Mr. President, as a member of the minority and as a Senator who has served on the Committee on Post Office and Civil Service ever since my entrance into the Senate, which is some 18 years ago, I commend the distinguished Senator from Hawaii for his outstanding work in the field of service to the Federal workers of this Nation, the postal employees, the classified workers, and the other people who are interested in our governmental operations. I know of no one who has made a more dedicated effort in this field in behalf of our public servants, the Federal workers of this Nation, than has the Senator from Hawaii. He has devoted much energy in trying to secure improved salaries for Federal workers based on comparability, and time and time again he has worked for their best interests.

I express my appreciation to the Senator from Hawaii. It has been a pleasure to work with him.

Mr. FONG. I thank the distinguished senior Senator from Kansas for his kind remarks. The Senator from Kansas has been in the forefront to obtain comparability for Federal employees, and many of the fine features of this bill and the provisions dealing with postal rates and Government employees are the result of the excellent thinking and the fine work of the Senator from Kansas. Federal postal, classified, and other employees have

no finer friend in Congress than my colleague, who is the ranking minority member of the Senate Committee on Post Office and Civil Service, Senator CARLSON. It has been my pleasure to work with him, and the distinguished Senator from Oklahoma.

Mr. MONRONEY. Mr. President, I thank my distinguished friend and colleague.

Mr. President, a parliamentary inquiry. The PRESIDING OFFICER (Mr. INOUE in the chair). The Senator will state it.

Mr. MONRONEY. Mr. President, will the Chair be good enough to tell me whether the time limitation is 20 minutes, with 10 minutes on each side?

The PRESIDING OFFICER. The Senator is correct. Each side has 10 minutes.

Mr. MONRONEY. I thank the Chair. That applies on this matter.

The PRESIDING OFFICER. The Senator is correct.

Mr. MONRONEY. Mr. President, if someone started out to find a way to wreck the efficiency of the U.S. Government here and abroad he could not have dreamed up a better way to do it than to produce a motion of the kind produced by the Senator from Nebraska [Mr. CURTIS] and the Senator from Delaware [Mr. WILLIAMS].

This bill does take care of a large number of well deserving employees. These are the faithful postal employees, 90 percent of whom are below the \$8,000 provided in this bill. Those employees who receive \$8,000 would receive the benefits of the 6 percent increase we are providing in this bill.

Above that level there are the supervisors, the men who must plan and design the mail schemes, those who make contracts with railroads and airlines, those who run all of the executive departments of the Post Office, all of whom would be denied any increase whatsoever.

Mr. President, under the amendment, it would be possible and probable that men who have menial tasks—and this would benefit them almost solely—would be able to go above their supervisors in salary, and those who have already reached above \$8,000 in salary would see their subordinates in menial capacities paid more than they are.

Ninety percent of the postal employees are below the \$8,000 figure. Those who serve in a supervisory capacity, or an executive capacity, those who plan the entire \$8 billion system, would have no increase whatsoever. Although the degree of comparability with private industry is high at the extreme low level, it goes down in comparability to 75 percent or 80 percent in the management-type position.

This measure puts the emphasis in that area where we have the greatest difficulty in recruiting and keeping competent Federal employees. If there is any way to save money, anyone who has studied high school economics will tell you that it is good management. I do not see how we can have good management if we are paying less than the man across the street is paying.

Ninety percent of GS employees are paid below \$8,000. The others are their

supervisors, directors, and planners, and the specialists in all agencies of interstate commerce.

I respect and admire the lower level menial employees and I want to see them rewarded in a pay increase, but this increase cannot be denied to management.

We are losing those who are in management now because of the inadequate pay and lack of adequate promotional opportunity. How much is going to be saved by this proposal? We are not going to save all that it is thought will be saved because of the large percentage of employees below the \$8,000 grade. There will be saved, according to the committee statistics that were given us, if we cut all above \$8,000, only \$68 million a year out of \$500 million in the pay bill. We would sacrifice the incentives necessary to preserve management and the skills that are necessary.

Do Senators think they could hire a doctor or keep a doctor, and—we have to have thousands of them in our Veterans' Administration, Public Health Service and of various facilities—unless they receive a pay increase, when the medical orderly below them would be getting a raise?

Do we think we will be able to employ and keep nurses? That is probably the greatest shortage we have. No nurse above the beginning salary today is paid under \$8,000. So that these great ladies who care for the wounded and come back after discharge from the military hospitals where they are military personnel, we cannot hire them. Certainly they are not going to stay, as much as they love Government work, when the hospital down the street, or in some other city, is paying the going rate. We are already having great difficulty on that.

We will not hire any dentists, because they are above that salary. We will not be able to keep them.

We are having trouble keeping air traffic control experts. They are all paid above \$8,000. Certainly, these men are necessary.

The FBI is going to be ashamed to see its agents leaving for better jobs, being unable to compete in the promotional opportunities with supervisors at the lowest level of the FBI.

We are not going to be able to keep any researchers in the billion-dollar enterprises of research and all the things we do there.

Engineers cannot be hired for \$8,000, so that the men we have are going to move on because there are ample opportunities elsewhere in those fields.

Scientists, supervisors, test training pilots who go along with certifying training programs and checking out the pilots at the airlines, we will not be able to hire them.

We will eliminate by necessity all the top level of congressional offices. Mr. President, judge for yourself, we can keep the boy in the folding room by giving him a raise, and we can keep the elevator operator by giving him a raise; yet the most effective and efficient administrative assistants, the personal secretaries, the girls on whom we so much depend for the efficiency of our office work, are

all paid better than \$8,000 a year in order to get the kind of talent we need. They will all be hired away from us downtown or hired by others.

This is an amendment which puts the emphasis on the wrong syllable. We do not save the money that it says we have.

The best way to do it, if we gentlemen wish to effect it, is to tear out the whole section on pay increases. Let us not say that because the votes are over here in the great numbers of postal employees—90 percent of the votes are at the lowest level, "Let's go for broke, boys. To hell with the efficiency of the U.S. Government."

In this time of crisis, I do not believe even though we do have a difficult time with the budget, that we want to destroy and kill off our management and management opportunities.

I have never seen anything that would work as inequitably, which would put the management of the various departments of Government in the position of having their subordinates paid more than they are. I do not see how anyone can think we can keep a man in the Federal employment at that rate. I do not know how anyone could have thought this through properly. I do not know how anyone could expect we could get a bill if we are going to have to crank all this junk into it. The bill was considered for 4 long months in the House and for 2 months in the Senate.

I do not know anyone who knows more about this subject than the minority member on the committee, the Senator from Kansas [Mr. CARLSON], who has made such a great contribution to this bill.

Mr. CARLSON. Mr. President, I concur in the statement just made by the distinguished chairman, the Senator from Oklahoma.

This is absolutely the wrong way to deal with the Federal employment picture. It is also unfair. It is based on the 1966 Bureau of Labor Statistics salary survey on what the actual salaries were in 1960 prior to the enactment of the comparability principle, which shows that the salaries of classified Federal employees lagged behind by 2.3 percent in GS-3; 4.3 percent in GS-15.

In 1962, we adopted the comparability principle. The pending bill is trying to carry out that principle.

As the distinguished chairman stated, it is most fair to close up the gap because they are further behind in comparability.

As I mentioned, in GS-3 it was 2.3 percent behind; in GS-15, 4.3 percent behind; in GS-7, 6.6 percent; in GS-9, 9.3 percent; GS-11, is 10.3 percent behind.

Therefore, I sincerely hope that all Senators will consider this proposal seriously, and reject the motion.

Mr. MURPHY. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I am happy to yield to the Senator from California.

Mr. MURPHY. Do those figures include the so-called fringe benefits, such as insurance, and all other benefits that are important in comparing salaries in

government with those in private industry?

Mr. CARLSON. These are considered on a salary basis only. They do not include fringe benefits.

Mr. MONRONEY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute.

Mr. MONRONEY. Let me say to my distinguished colleague from California, who represents a most progressive State in a most progressive way, that the fringe benefits are much less today in Government than they were. They used to be much superior. But on insurance and retirement, they do not match the equivalents of outside employment today. The salary level there, as to the total cost of the bill or the total cost of the salary level we have quoted, adds \$38 million for insurance benefits to the total. That is provided in the last title.

Mr. MURPHY. In other words, a comparison of the fringe benefits would be on approximately the same percentage basis as a comparison of the actual total figure; is that not correct?

Mr. MONRONEY. That is correct.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. CURTIS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 minute.

Mr. CURTIS. Mr. President, I listened with much interest to what the distinguished chairman had to say. I should like to say that during World War II there were pay raises greatly favoring the lower paid workers.

Today, we are at war. The dollar is imperiled. We have the highest deficit in our history.

Now it is being said that this would save only a few million dollars.

Mr. President, that is not true.

If we go on record of having no pay increases over these upper brackets until we balance the budget, then I believe that we will get a balanced budget.

The eloquent Senator from Hawaii [Mr. Fong] pointed out that we have not had a balanced budget since 1960, but we have added four pay raises.

One of the virtues of this thing is that it is an incentive. It will not hurt research. It will see that the money vested in research is conserved, that we will then be able to get a balanced budget, and then we shall be able to put on a pay increase.

Mr. THURMOND. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield 5 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes.

Mr. THURMOND. Mr. President, I wish to thank the distinguished and able Senator from Nebraska.

I am in favor of the motion being made by the able Senator from Nebraska.

We are going to have a deficit this year of somewhere between \$18 billion to \$30 billion. In view of the fact that we are at

war now, it seems to me that the only sensible course to pursue would be to follow the course of economy and retrenchment.

I realize that this is not a popular course to take. I realize that the Senate many not see fit to adopt this motion. However, it is the right course. It is the honest course. It is the course which is best for the people of this country. It is the course of sound fiscal policy. It is the course that this country needs to take in order to bring some semblance of soundness to the fiscal policies of this Nation.

Mr. President, our national debt today is almost \$344 billion. By the end of this fiscal year it has been estimated that it will go to between \$345 billion and \$350 billion. The ceiling now is \$358 billion. The annual interest on the national debt is approximately \$14 billion per year.

The Federal Government has balanced its books only six times in the past 37 years.

How much longer are we going to wait?

When are we going to start balancing our books?

When do we begin to think about the people back home who pay the bills?

Of course I am sympathetic to Government workers. I have the utmost respect for them. They are dedicated and hard-working people.

At the same time, I emphasize that we are now at war, that we are facing a deficit of between \$18 billion and \$30 billion this year alone. I believe that our Government workers at the top salary levels would be willing to delay a pay raise.

This will enable those with salaries of \$8,000 or less to get their increase. Those receiving above \$10,000 will get it when the budget is balanced. I think that fact alone will have a tremendous moral suasion, because human nature is human nature. I believe when those in some high positions in Government know they are not going to get a raise until the budget is in balance, they will help balance the budget. It should be balanced.

I do not know of anything that is more important for the preservation of the country, other than maintaining a strong military establishment, than maintaining a strong economy. We cannot maintain a strong economy if we are spending more than we are taking in. That is what our country has been doing for many years. Our Government cannot continue to operate on this basis indefinitely. No business can operate in this fashion and neither can the government of any country.

I hope the Senate will adopt the motion offered by the distinguished Senator from Nebraska, as I feel it is sound. It offers us a course that will be in the best interests of the people in the long run.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. MONRONEY. Since the military pay bill follows the civilian pay bill in pattern, does the Senator feel we should increase the pay of captains so they will be earning more than majors?

Mr. THURMOND. I do not think that

is applicable. In fact, I do not think now is the time to raise the salaries of Congressmen or any Government employees.

Mr. MONRONEY. Not even the military?

Mr. THURMOND. If the Congress raises the salaries for civilian employees, I would feel free to vote to raise military salaries, because the military raises have always lagged behind the civilian raises. I have been here 13 years, and I believe there have been between eight and 10 raises for civilian employees. I do not begrudge any of those raises, but these raises should be delayed while a war is going on.

How much longer does the Senator from Oklahoma feel we can continue to raise salaries while we are running unbalanced budgets?

Mr. MONRONEY. This would affect only \$68 million out of \$500 million, but it would disturb the balance in the executive pay scale.

My question still is, Since the military pay bill follows the same pattern as the civilian pay bill, should we fix the salaries of captains above that of majors?

Mr. THURMOND. I do not object to raising the lower grade officers' salaries in a larger proportion if that is the question.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CURTIS. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Three minutes.

Mr. CURTIS. The committee's argument on this point is just plain foolishness. It is not proposed to pay a captain more than a major. The reason we have a phasing out bracket between \$8,000 and \$10,000 is to prevent that very thing from happening.

The employees receiving under \$8,000 will get the raise. Those receiving over \$10,000 will have to wait until the budget is balanced. Those receiving salaries in between those two will get part of the raise.

Mr. President, I would not downgrade this committee and say that they could not work that out equitably. Of course they could.

We do not have the time, but I would challenge Senators to put the question up to their people back home: Should Government employees drawing more than \$10,000 receive a pay increase while the budget is unbalanced? Senators know they will say they should not.

Those of us who served during World War II saw pay increases. I remember one that was \$300 a year for everybody, whether someone was in the \$25,000 bracket—of course, it was not that high then, but the highest bracket—or was the lowest paid worker. It is not unusual to do this in wartime.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. WILLIAMS of Delaware. I call to the attention of the Senate that there is a precedent for such action, and it can be done. After World War II, the former Senator from Virginia, Harry Byrd, made a similar motion to a similar pay bill in the Senate. It was adopted;

the committee took the bill back, and the provision was embraced in the bill.

If the Senator will yield further, I might add that after that action the budget was soon balanced.

Mr. CURTIS. If a pay increase were withheld for every Federal employee getting over \$10,000 until the budget was balanced, we would get a balanced budget; but as long as we defend the principle that has been prevailing all through these years of never balancing the budget, and always increasing pay, it will go on that way. Now, I will accept—

The PRESIDING OFFICER. The Senator's time has expired. The question is on the motion of the Senator from Nebraska to recommit with instructions. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Iowa [Mr. MILLER] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Pennsylvania [Mr. SCOTT] would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Iowa would vote "nay."

The result was announced—yeas 5, nays 83, as follows:

[No. 355 Leg.]

YEAS—5

Curtis	Lausche	Williams, Del.
Hruska	Thurmond	

NAYS—83

Aiken	Fong	Mansfield
Allott	Gore	McClellan
Anderson	Griffin	McGovern
Baker	Gruening	Metcalf
Bartlett	Hansen	Mondale
Bayh	Harris	Monroney
Bennett	Hart	Montoya
Bible	Hartke	Morse
Boggs	Hatfield	Morton
Brewster	Hayden	Moss
Brooke	Hickenlooper	Mundt
Burdick	Hill	Murphy
Byrd, Va.	Holland	Muskie
Byrd, W. Va.	Hollings	Nelson
Cannon	Inouye	Pastore
Carlson	Jackson	Pearson
Case	Javits	Pell
Church	Jordan, N.C.	Percy
Clark	Jordan, Idaho	Prouty
Cotton	Kennedy, Mass.	Proxmire
Dirksen	Kennedy, N.Y.	Randolph
Dominick	Kuchel	Ribicoff
Eastland	Long, Mo.	Smathers
Ervin	Long, La.	Smith
Fannin	Magnuson	Sparkman

Spong
Stennis
Talmadge

Tydings
Williams, N.J.
Yarborough

Young, N. Dak.
Young, Ohio

NOT VOTING—12

Cooper
Dodd
Ellender
Fulbright

McCarthy
McGee
McIntyre
Miller

Russell
Scott
Symington
Tower

So Mr. CURTIS' motion to recommit, with instructions, was rejected.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I send to the desk a unanimous-consent request and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the unanimous-consent request.

The legislative clerk read the unanimous-consent request, as follows:

Ordered, That, effective during the further consideration of the bill, H.R. 7977, the so-called Civilian Pay Raise Act, but exclusive of the previous agreements of the Senator from Delaware [Mr. WILLIAMS] numbered 469 and 472, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the senior Senator from Oklahoma [Mr. MONRONEY]: *Provided*, That in the event the senior Senator from Oklahoma [Mr. MONRONEY] is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours and 15 minutes to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, if I can make one addendum to that request, the distinguished Senator from Maine [Mrs. SMITH] has indicated that she will offer an amendment.

I ask unanimous consent that there be a time limitation of one-half hour on her amendment, the time to be equally divided between the distinguished Senator from Maine [Mrs. SMITH] and the distinguished Senator from Oklahoma [Mr. MONRONEY], and that prior to the time starting, there be a live quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

The unanimous-consent agreement, without objection, will be printed in the RECORD.

The unanimous-consent agreement, ordered to be printed in the RECORD, reads as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective during the further consideration of the bill H.R. 7977, the so-called Civilian Pay Raise Act, debate on any amendment, motion, or appeal (except two amendments to be offered by the Senator from Delaware [Mr. WILLIAMS], Nos. 469 and 472, on which there is to be 40 minutes of debate, and one by Mrs. SMITH, on which there is to be 30 minutes of debate), except

a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the senior Senator from Oklahoma [Mr. MONRONEY]: *Provided*, That in the event the senior Senator from Oklahoma [Mr. MONRONEY] is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours and 15 minutes to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JAVITS. Mr. President, I address myself to the merits of the bill, and I hope that Senators present will listen.

Title III of the pending bill relates to the prohibition of pandering advertisements.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

The Senator may proceed.

Mr. JAVITS. The committee has not extensively discussed this in relation to the bill, and I think it is a matter of considerable importance as it represents basic constitutional rights.

Mr. President, first with respect to the pay raise itself as it is contained in the pending bill, the action of the House and now by the Senate Post Office and Civil Service Committees in approving a postal pay increase for the Nation's faithful postal employees is at last beginning to redeem the promise of comparability with private employment is most gratifying. Approval of this bill is truly an opportunity to implement the pay comparability principle which has been adoted as settled policy by the Congress.

I have long been a devoted advocate of adequate salaries for postal workers. This is basic justice by the Federal Government to those who are among its most devoted workers. All too frequently there is substantial inequity in the wage level of Federal employees, and particularly postal workers, as comparability to that for equivalent job skills of those working in private employment. I feel that the Federal Government has a clear responsibility to give enlightened and modern leadership to compensation and conditions of work throughout the Nation in justice to its own personnel. The committee already recognizes that Post Office employees cannot go into business for themselves, their opportunity is only justice from the Congress and the United States.

I feel that we can at long last begin to deal with the matter of a postal raise in the pending bill.

As I come from an area where that is a matter of very critical consideration with many of the largest mailers in the Nation being located there, I feel it is the responsibility of the Congress to see that

the Post Office Department is operated at maximum efficiency and the lowest practicable cost to the Government and to the users of the mails. Some subsidy undoubtedly continues to be needed and justified for types of mail worthy of public subvention, but the overall deficit is unacceptable without a detailed review of mail rates and, if necessary, adjustment to keep the deficit within manageable proportions.

Legislation which imposes higher taxes or increases Government service charges must always be weighed carefully. The Post Office Department has stated that the postal deficit is responsible for almost half of the total increase in the national debt. Fiscal responsibility is essential to a healthy economy, and I must in good conscience support legislation judged necessary to maintain it.

Mr. President, I am very pleased, also on the matter of the postal raise provision of the pending bill, to note that the alleged discriminatory postal surcharge on periodicals with a circulation of 500,000 or more has been eliminated by the Senate bill and that the proposed rate increase of an alleged disproportionate 60 percent on fourth-class bulk mail, on sound recordings especially, has also been eliminated by the Senate committee. I hope very much that, as the Senate passes the bill in its present form, this will be maintained in conference.

Mr. President, it is claimed with respect to rates that there is very strong discrimination in rates as against the rates for controlled circulation publications. There are not many of those publications, perhaps not more than four or five, the main publication being from the Reuben Donnelly Co.

Mr. President, it was claimed on the part of those mailers that the bill imposes a 280-percent rate increase on them over a 3-year period. The Senate committee claims that it recommends only a 20-percent increase.

Mr. President, we ought to see whether this works out onerously, and we ought to be prepared to give these publications some relief if, in fact, their great fears on the subject are realized, as they say, either by conforming to the aspects of more suitable mailing rates or by amendment to the pending bill, should that be deemed to be required, depending upon how the matter eventuates.

Mr. President, on the main point which I wish to discuss, title III of the bill puts, in effect, a rather unique question of how to deal with a problem which has been widely complained about by millions of parents. That concerns the mailing to them or to their children or to their homes of material which is, to use the words of the committee and the words of the bill, "erotically arousing or sexually provocative." This is a rather new catechism and it differs from the language of the court decisions and existing statutes on the subject which bar only obscene material from the mail.

The scheme of the bill is that the citizen notifies the Post Office to order the sender to discontinue the sending of such material to him. The Post Office Department then notifies the sender to take that person off the mailing list. If the

sender does not do so, then the Post Office Department may move in court for a cease and desist order against that sender to compel him to do so.

The difficulty is that the bill requires no finding on the part of either the Postmaster General or the court that the material is actually "erotically arousing or sexually provocative." All that is needed is for the sender to say so, and that is the end of that.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, may I explain my point? I am very anxious to have a colloquy with the Senator. I believe that it will be very important.

This is the point at which we bring into conflict two constitutional rights—the constitutional right of the addressee to privacy under the fourth amendment, and the constitutional right of the sender to free speech under the first amendment.

The thing that I am troubled about in the constitutional realm is that the courts may very well find that, even if an addressee does not want the material sent to him, the prevailing policy of the country requires that the sender has the presumptive right to use the mails. He can throw it in the wastepaper basket when it is received if he wants to.

The analogy is, interestingly enough, a political one. Senator MONRONEY is a Democrat and I am a Republican. In 1946, when I ran for public office in a strongly Democratic district in Manhattan, in New York City, I knew that many people there did not want to receive any mail from a Republican and would not stop to hear him on a street corner. But some of them, who happened, by accident, to be caught where they had to hear me or were caught where they had to read, were persuaded, much to their surprise; and that was a very valuable constitutional right which I had as a candidate.

The real constitutional difficulty in this title is that no finding is required, not even a finding that the test of the bill is actually being met—to wit, that the material is "erotically arousing or sexually provocative." I believe that is a very important element.

Mr. President, I have given considerable thought to whether or not an amendment should be offered to title 3 which would require such a finding. But my consideration led me to believe that if you did that, you would erect such a complicated structure of hearings and determinations and trial examiners, and so forth—you would invite bureaucracy and litigation—that the practical aspects of the matter would be better handled by leaving the matter to the courts; because I do not believe the cases will be many, and I believe that they will be resolved better by the legal processes of the judiciary.

However, in view of that determination, I believe it is important that the legislative history of the bill before the Senate clearly deal with the subject, show that we considered it, show that at least one Senator raised the issue of constitutionality, and the rights of the sender as well as the addressee. As a Senator

representing all the people, I am very sympathetic to the addressee. I am a father myself. Our youngest child is 12, and I feel strongly about this matter on constitutional and on personal grounds.

However, I am also aware, as a Senator, of the necessity for protecting the constitutional rights of all the people, including the senders. One of the geniuses of our society is that we are often compelled—by the fact that there but for the grace of God am I—to protect those who might be doing things that we might like the least.

I believe that a fair balance will be held if it is made clear that in my judgment, as a lawyer and as a Senator, the courts will require that the material be substantively of the type that meets the test of this bill, which, I repeat, in this connection, is the test of being "erotically arousing or sexually provocative."

Mr. President, to the extent that this bill creates that test, I believe it is valid, notwithstanding the fact that there may be some doubt, from the leading cases, the so-called Roth case, which is found in 354 U.S. Reports, and the Ginsberg case, a later case, as to whether this description—to wit, erotically arousing or sexually provocative—is actually what the courts have held to be barrable from the mails as obscene.

I believe that the courts will require that the material actually be erotically arousing or sexually provocative and will not let the matter go solely upon the fact that the addressee says it is. I believe that will be the way in which the courts will resolve the dilemma—rather than try to erect an elaborate structure of bureaucracy to hear and consider these matters and to make findings and to invite litigation on that score. Practically, it will work out just as well if we leave the matter to the courts, this statement having been made by a least one Senator on the floor of the Senate.

Mr. MONRONEY. Mr. President, I am glad to have this discussion, particularly with an attorney who is so thoroughly versed in constitutional law and so aware of civil rights protected by the Bill of Rights.

The testimony with reference to this matter was taken from several sources. We spent much time on it. We had the advice of the Justice Department. Mr. Wozencraft testified for the Justice Department, and I believe his comments are persuasive. He said:

In 1951 the Supreme Court upheld an ordinance barring all kinds of door-to-door solicitation throughout a community. The Court there stated:

"Freedom of expression or press does not mean that one can talk or distribute where, when, and how one chooses. Rights other than those of the advocates are involved."

Thus, the right of a city to bar door-to-door solicitation in a community was sustained by the Court at that time.

Mr. Wozencraft continued, on the same page:

The CHAIRMAN. This comes under first-class mail and there is no way you can tell the content of the first-class mail until you have opened it.

Therefore, you have allowed the invasion of the homeowner to that extent.

Mr. WOZENCRAFT. That is true, if there is no label on the envelope. It is also true that

it is difficult to tell what is going to come up next on the television set. You have to see it for a second before you decide to turn it off. That is about what you can do on throwing away the mail, but there is that problem, certainly.

The crucial question, I think, posed by this bill or any bill in this field is whether the first amendment permits one person to cut off the right of another to send him through the postal system matter which violates no objective standard but is offensive to him.

After listening to all the testimony, a majority of the committee decided that the right of privacy provided a homeowner by the Fourth Amendment was controlling; that we have a right to mail this matter to him, but cannot repeatedly do so if the man finds it objectionable and, in the language of the bill, determines it is erotically arousing or sexually provocative. This is the language we put in the bill. By no means do I think that anyone—I repeat, anyone—except the boxholder, in his home, has any control over what the latter considers objectionable. He could go to the postmaster and say, "This is objectionable to me because of it being erotically stimulating," and so forth. It does not have to be. He can say, "Cabbage incites me, and I do not want any more cabbage direct mail delivered to my home." I believe that the court would find, under the language of the bill, that he is the sole judge; and the processes set forth by this amendment, which is identical to that of the House, would be that no one could question his right of privacy because he objects to this type of mail coming from the sender. He protests, so the sender is notified, and then the provisions of the bill go into operation, as ably described by the Senator.

I believe the matter will have to go through a Supreme Court test. I am sure it will have to be tested.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield 5 additional minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 additional minutes.

Mr. MONRONEY. As the committee understood the matter, and as the testimony was revealed in a full morning's hearing, the fourth amendment would prevail. With respect to the test contained in the bill, if the addressee declared it to be erotically arousing or sexually provocative, the Postmaster General would have to notify the sender to send no more mail to that address, and the cease and desist processes, if he succeeded, would prevail.

I grant the Senator that only the Supreme Court is going to finally decide the matter. I think this is a very helpful discussion by way of legislative history to the bill.

Mr. JAVITS. I am grateful to my friend, the distinguished Senator from Oklahoma.

Mr. CASE. Mr. President, will the Senator yield?

Mr. JAVITS. I am afraid that I am going to be caught in a time dilemma. I wish to ask the manager of the bill about the time. I wish to yield to the distinguished Senator from New Jersey. I could

send an amendment to the desk if that would simplify the matter.

Mr. MONRONEY. That is not necessary.

Mr. JAVITS. I yield to the Senator from New Jersey.

Mr. CASE. Mr. President, I appreciate the consideration of the leadership. I think this is a matter of very great importance, and I believe that a little discussion on the floor of the Senate beyond that which has already taken place might be helpful, in addition to the help we have already gotten from the initiative of the Senator from New York and the very thoughtful response of the Senator from Oklahoma.

Mr. President, there is a very large question here. The balance of the right of privacy, the right of self-expression, and freedom of speech is something we are dealing with and should deal with in a very careful way.

Would the Senator from New York agree in substance that what we come down to here is the committee's view that the right to close the door to a particular sender is absolute on the part of the home owner or addressee?

Mr. JAVITS. The committee finds that is a superior right to the right of the sender to send something.

I wish to call attention to the testimony of Mr. Wozencraft. He dealt with the right of the homeowner, which involves a right far more sacred than the mails, and that is trespass.

Mr. Wozencraft had this to say on the same page:

The courts have neither answered this question nor clearly foreshadowed what their answer will be.

I am trying to suggest a technique by which the Postmaster General and the courts can enforce this law and not run afoul of the civil liberties of the citizens involved. That technique would be that somewhere and somehow in the courts there would have to be a substantive finding that the material was actually, in accordance with the law, erotically arousing or sexually provocative; and that the court would accept findings of fact that that is the kind of material which should be legitimately barred from the mail under the Constitution. I agree that should be implemented by the courts as if it were the courts' definition.

Mr. CASE. The Senator would, I take it, require that the decision by the court ought to be required to be made after due process before the bar on the mailing.

Mr. JAVITS. That is an interesting point because there is no penalty on the sender if he resists the notice of the cease and desist order. I think he would even have the right to enjoin the Postmaster General if he were given such a notice.

When I found there was no penalty on the sender, that a refusal to obey the order is no crime, I felt it better to leave this matter to the courts than to rework the bill, especially since I am sympathetic to the bill.

Mr. MONRONEY. I think it would be in order to place further excerpts in the RECORD from the testimony of Mr. Wozencraft.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARLSON. Mr. President, I yield 5 minutes to the Senator.

Mr. MONRONEY. I thank the Senator.

The PRESIDING OFFICER (Mr. HART in the chair). The Senator is recognized.

Mr. MONRONEY. Mr. Wozencraft further testified:

The courts have neither answered this question nor clearly foreshadowed what their answer will be.

There remains a practical question.

The CHAIRMAN. This is the guts of the issue, isn't it—

Mr. WOZENCRAFT. Yes, sir; it is.

The CHAIRMAN (continuing). The way the bill is drafted and the rights conferred upon the individual to say, "I don't want this type of mail delivery?"

Mr. WOZENCRAFT. Yes, sir.

The CHAIRMAN. You don't make a test of whether it is pandering or not. You don't make a test of whether it is sexually provocative or erotic but you just say, "I don't want it for these reasons," but no official is allowed to go behind those reasons or to even question whether they are legitimate or germane or not.

Therefore, you are giving in fact the right of an individual for the first time, I believe, to say he does not wish the stuff delivered at his door and certain steps by the Federal Government will be taken to back him up in his determination that it will be not delivered to him.

Is that a correct summation?

Mr. WOZENCRAFT. Exactly correct, sir.

Mr. President, that is the view of the Justice Department on the question which the Senator is so ably discussing.

Mr. JAVITS. Mr. President, I wish to conclude by saying that I think we have very materially demonstrated that we are cognizant of the issue, which is very important to the courts. When we pass the bill, we will be cognizant of the issues and there are at least some suggestions as to how the issue could be met.

Personally, I believe that this is the best way to get at the problem. If I did not, and if I thought it would be better and wiser to establish a form of bureaucratic control, I would do so.

Mr. President, it is my conviction that we are better off this way making the record very clear and posing the issue to the courts and leaving it to them to work out practically. I am willing to let the matter proceed on this record.

Mr. HRUSKA. Mr. President, I want to call particular attention to title III of the pending bill because it represents remarkable progress in the battle against smut and filth in the mails.

I am happy to say that title III was introduced as an amendment to H.R. 7977 by my capable colleague, Congressman GLENN CUNNINGHAM.

This was no spur-of-the-moment action on the part of the Congressman from the Second District of Nebraska. For many years he has been a leader in the fight to protect society from obscene and pornographic material which has been circulating through the mails in ever-increasing amounts. I wish to take this opportunity to congratulate and commend him for his persistent efforts in this field.

Over the years, many measures have been introduced both in the House and in the Senate to protect the law-abiding

citizen from unwanted obscenities; however, our efforts have not met with success. Each of us receives ever-increasing numbers of complaints from outraged constituents concerning this problem.

With the rights of the law-abiding citizen in mind, Congressman CUNNINGHAM introduced bills in the 88th and 89th Congresses which would enable the addressee to put a stop to unsolicited mailings of pornographic material. Both bills passed the House; however, time did not allow Senate action.

This year, Congressman CUNNINGHAM introduced H.R. 426, which is substantially similar to his earlier bills. This Senator had the pleasure of introducing S. 926, as a companion measure to the House bill.

The House Post Office and Civil Service Committee incorporated Mr. CUNNINGHAM's bill into and made it a separate title of H.R. 7977, and the committee action was thereafter endorsed by the House when it passed H.R. 7977.

Title III provides for an individual approach to the problem of obscene mailings. We are all aware of the personal judgments of what is or what is not obscene, and of the problem of applying one standard for all persons.

The cry of censorship is raised whenever an attempt is made to protect the citizen from the encroachment of obscenity upon his right to privacy.

Title III will avoid the censorship argument since it meets the problem in a direct and responsible way without attempting to establish broad standards applicable to all persons.

Title III would allow the recipient of obscene mail to return it to the Postmaster General with a request that the Postmaster General notify the sender to stop mailings to the addressee or members of his household. If after 30 days from the date of the notice to the sender, the Postmaster General believes that the sender is still sending such mail to the complainant in violation of the notice, a complaint is mailed to the sender and he is given the opportunity for a hearing. If the Postmaster General then finds that the sender is violating the order, he may request the Attorney General to apply for an order of the appropriate Federal district court to enforce compliance. Violation of the court order would be punishable by contempt of court proceedings.

This bill does not establish a Federal censor, but rather leaves the question of what type of material a citizen receives up to him. If he wants to receive obscenity, that is fine. However, this bill would allow the citizen to make this choice.

Title III achieves an effective and equitable balance between the sometimes conflicting free speech rights of the dealers in pornography and the right of privacy of the individual.

It is time that parents and other individuals have the protection from the unwanted filth that is sent through the mails.

On page 38 of the committee's report, the following statement is found:

The Committee is convinced that no user of the mail has the right to force upon an unwilling recipient the type of mail matter covered by Title III and that the U.S. Post Office is not required to act as the instru-

mentality by which a mail user, over the objection of the recipient, invades the home and mailbox of a citizen.

I salute the distinguished chairman and the member of the Post Office and Civil Service Committee for coming to grips with this problem.

I urge that all Senators support title III, so that the dealers in filth and obscenity will know exactly where they stand with the U.S. Congress.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes without regard to the rule of germaneness.

The PRESIDING OFFICER. Without objection, it is so ordered.

TURKISH-GREEK CONFRONTATION OVER CYPRUS

Mr. JAVITS. Mr. President, I have just returned from the 13th Annual Conference of the North Atlantic Assembly at Brussels where I was elected chairman of its political committee. Much discussion centered on the present crisis in Cyprus.

For 3 years I have headed the Special Committee for the Less-Developed NATO Countries of the NATO Parliamentarians' Conference—now North Atlantic Assembly—seeking to establish economic co-operation between Greece and Turkey. Our work, which has been financed by the Ford Foundation as well as by other foundations, corporations and individuals and by two foundations in the German Federal Republic, Thyssen and Volkswagen, has concentrated upon the possibilities of establishing a major land reclamation and irrigation project on the Thracian border between Turkey and Greece along the Meric-Evros River—perhaps even a TVA. Our work has also included cooperation between the public and private sectors of both countries on tourism, fisheries and the marketing of fruits and other agricultural products. The project has had the most sympathetic consideration by the U.S. State Department and by the President and has had the backing of the NATO countries. The work has gone very well and is most promising for both countries. It is a distinct setback to the hopes of the peoples of both countries whenever this work is interrupted.

Now, following the political unsettlement in Greece, there is a threat of war between Greece and Turkey over Cyprus. I have made it an article of faith in my relations with both governments to confine my activities to the economic participation to which I have referred; however, war would be such a disaster for all concerned as well as for the hopes for this project, that I must speak out now.

NATO simply cannot permit a conflict between Greece and Turkey over Cyprus. It would shred the very fabric of NATO, gravely imperil its southern flank, and undermine the security of all Western Europe. In addition, it would dash the hopes, built so greatly upon the tradition of the Venezelos-Ataturk accord consummated 40 years ago, for the economic cooperation project which I have described.

From my contacts with the governments concerned—with Premier Demirel, Foreign Minister Caglayangil of Turkey and with their predecessors as well as with the successive Prime Ministers of Greece under parliamentary government—no one recognizes better than I the profundity of the issues involved over Cyprus. Deep and sincere feelings have been aroused, there has been bloodshed and peril. It is my profound conviction that the course being pursued to attain the peace is the right one; that is, an effort to lessen the tension created by the presence of armed forces by phasing them out to bring about a period of tranquillity. In such a period conditions may be restored for a new national determination as to the future constitutional status of Cyprus and its Turkish minority, while at the same time obeying democratic principles by relying upon the ultimate mandate of the people as to the future of Cyprus as a democracy. Tranquillity, and citizens' participation under conditions of tranquillity are the best answer, always remembering that in any free society basic inalienable rights as in the U.S. Constitution's Bill of Rights are guaranteed to all citizens as individuals and as members of a group.

As I believe the efforts of the Secretary General of NATO, Manlio Brozio, the representative of U.N. Secretary General U Thant, Mr. Rolz-Bennett, and the representative of the United States, Cyrus Vance, are being directed toward these objectives, I rise today to express the hope as the respective governments proceed to a peaceful solution that they will have support and respect in their mission and the confidence in their good faith from the people of Turkey and Greece, which they deserve and which those whom they represent deserve.

To the ancient and proud peoples of both Greece and Turkey, I speak in the name of my friendship and respect for them and my service in their interest, that reason prevail over passion and that the courage of forbearance be greater than the courage of the battlefield. All will gain from the success of the peaceful negotiations and from a withdrawal of contending forces, leaving the main peacekeeping role to the U.N. Security Force. All will lose by recourse to violence.

I ask of both peoples of Greece and Turkey, from their friend—and I am their friend, as they well know—as they have done in the past, to their eternal credit, to stand back of peace.

THE RECENT ANTICS OF PRESIDENT DE GAULLE OF FRANCE

Mr. BYRD of West Virginia. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 5 minutes.

Mr. BYRD of West Virginia. Mr. President, the antics of President Charles de Gaulle of France never cease to amaze me. But I think he outdid even himself this week in the attack he made on the United States, Great Britain, and Canada, and in his call for devaluation of the dollar and a return to the gold stand-

bodes well for the future. It has already produced a change in the image of the profession in the state.

NEW PROGRAMS

The university is developing several programs that have great appeal to the public and to physicians alike. These include the following:

1. A new division of family medicine, a pilot program to explore and evaluate the contents of family medicine. This activity will be housed in a separate and especially designed model community clinic that is purposely located separately from the university clinics. Trainees in family medicine will not rotate through the traditional services, but will, when indicated, go with their patient in whatever service is required—if surgery, they will "scrub up." When the patient requires a specialty consultation, the trainee must make the appointment in the appropriate specialty clinic as he would in practice, then accompany the patient, hence learn from the consultation. This arrangement does not disrupt the traditional university specialty clinics and rotations, and has been welcomed by the faculty. If a trainee wishes extra training in a specialty area, he will have opportunities in elective times later in his training. He will make house calls and will be exposed to the business aspects of a practice. Practicing "family doctors" will staff the family medicine clinic under the direction of a full time director.

2. Project responsibility, a pilot program in rural health will relate to the family medicine program, described in detail in *THE JOURNAL of the American Medical Association* (197:339 [Aug 1] 1966).

The objective is to meet a major medical social responsibility by (a) exploration of methods for making rural practice of scientific medicine attractive to young physicians; (b) the evaluation of health service and health science personnel needs in rural areas (Oklahoma); (c) the development of a pilot health program based on needs (analogous to the agricultural experiment station concept), a utilization of a group practice—community health clinic in a rural setting as a base for the study and improvement of methods in the packaging and delivery of health services; (d) the utilization of such a program to assist in the development of curriculum, training, and applied research in family medicine, the provision of medical school leadership in mobilizing not only their own talents but those of private citizens, private agencies, public agencies, and organized medicine in a cooperative effort to produce the health science personnel needs of rural communities.

3. The health manpower intelligence facility, a permanent program established for perpetual inventory of health manpower in the region, to provide the basis for a planned production of appropriate numbers and kinds of health manpower.

4. The regional medical program (which in our state embraces, and is embraced by the entire Oklahoma health center concept) will offer essential support for the planned statewide relationships with physicians and allied health personnel in community hospitals and other health programs.

5. The establishment of a school of dentistry. Surveys reveal that Oklahoma has only 850 dentists for 2,500,000 persons, and more than half of these are located in two cities. Over 200 young Oklahomans are in dental schools in other states at this time—enough to fill a new dental college.

6. A school of public health and a school of allied health, both geared to the production of the numbers and kinds of allied health workers that are needed and are now almost nonexistent in the state.

7. Formal organization of graduate education into a graduate college in the biomedical

sciences with its own dean and budget. We were surprised to find that we have 256 graduate students in the basic sciences, all buried in the medical student education programs and budgets. The graduate college is envisioned as a protected core of academic excellence, where scientists and researchers can be protected from the vicissitudes of public pressures and undergraduate teaching responsibilities.

CONCLUSIONS

The programs projected provide answers to the necessity to react to the challenge of medical-social responsibility in a manner that will preserve the traditional American freedoms of practice and education as well as the enhancement of academic excellence.

RECRUITMENT, TRAINING, AND USE OF WELFARE RECIPIENTS UNDER THE SOCIAL SECURITY PROGRAM

Mr. HARRIS. Mr. President, on other occasions I have spoken in the Senate concerning amendments Nos. 400 and 401, which I authored with other Senators and which were adopted by the Senate Finance Committee during its consideration of the social security bill, H.R. 12080. The amendments require each State welfare plan to provide for the recruitment, training, and use of welfare recipients as subprofessional "community service aids" and also for recruitment, training, and use of non-paid or partially paid "social service volunteers," and direct the Secretary of Health, Education, and Welfare to study and recommend how the State welfare systems may become more activist on behalf of the poor. By letter, the director of public welfare in Oklahoma, Mr. L. E. Rader, has endorsed these amendments, now pending in conference, and I ask unanimous consent the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF OKLAHOMA, OKLAHOMA
PUBLIC WELFARE COMMISSION,
DEPARTMENT OF PUBLIC WELFARE

Oklahoma City, Okla., November 21, 1967.

Hon. FRED R. HARRIS,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HARRIS: We were much interested to note that both of your proposed amendments (Nos. 400 and 401) were incorporated in H.R. 12080, the "Social Security Amendments of 1967," as that bill was reported out by the Senate Committee on Finance. If enacted into law, and properly implemented, these proposed amendments would, in our opinion, serve to improve and clarify the administration of the public assistance programs.

One of the proposed amendments, incorporated as Section 209 of H.R. 12080, as reported by the Senate Committee on Finance, would provide for use of subprofessional staff and volunteers in providing services to individuals applying for and receiving assistance. In view of the shortage of trained professional social workers, now and in the foreseeable future, we think that a need exists to use other levels of personnel, including the use of paid subprofessional staff as "community service aides" as provided in the proposed amendment. To ease the manpower shortage, use could be made also of "nonpaid or partially paid volunteers" as provided in the proposed amendment. Given

proper orientation and training, members of both groups could make a positive contribution to the assistance programs. Such members would be drawn, we assume, from individuals who would be free to engage in such duties without in any way interfering with their obligations to their own families.

The other proposed amendment, Section 250 of H.R. 12080, as reported, would, we note, direct the Secretary of Health, Education, and Welfare to "make a study of and recommendations concerning the means by which and the extent to which the staff of State public welfare agencies may better serve, advise, and assist applicants for or recipients of aid of assistance in securing the full protection of local, State, and Federal health, housing, and related laws and in helping them make most effective use of public assistance and other programs in the community and the extent to which the State public assistance, medical assistance or related programs may be used as a means of enforcing local, State, and Federal health, housing, and related laws." The Secretary would report his findings and recommendations, including the necessary changes in the Social Security Act, to Congress by July 1, 1969. Such study would, in our opinion, clarify certain questions which should be clarified before staffs of State public welfare agencies are asked to assume a more active role in matters in the fields of health, housing, and related laws, as such matters affect the applicants for and recipients of assistance.

The proposed amendments are constructive and clarifying in nature, and you should, we think, be commended for advancing them.

Very truly yours,

L. E. RADER,
Director of Public Welfare.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

AMENDMENT NO. 472

Mr. WILLIAMS of Delaware. Mr. President, I call up my Amendment No. 472.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 132, line 20, after the period insert the following: "Notwithstanding the amendment made by this subsection, the basic pay of the Chairman and members of the Subversive Activities Control Board shall continue at the rate in effect immediately prior to the effective date of such amendment until otherwise provided by law."

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes on the amendment.

Mr. President, I cannot conceive of their being any objection to this amendment. Much has been said that the purpose of this bill is to establish comparability; that is, to provide comparable pay for public officials to that which they would be receiving in private industry.

In this particular situation, as I pointed out several weeks ago, we have the Subversive Activities Control Board, which is composed of five members who are being paid \$26,000 a year. The fact is not disputed that for 17 months the members of this Board have not had one single duty assigned to them.

I talked with one of the members who came to my office, and he confirmed the fact not only that they had not had any duties assigned to them but there was no possibility under existing law that they could have any duties assigned to them until after Congress had taken action, legislatively, to assign them such duties.

The Senate acted on this matter. I supported it, but as yet that bill has not become law. Under these circumstances these men for 17 months have been drawing \$26,000 a year for doing nothing except cashing their checks. They are doing nothing now and will continue to have nothing to do until Congress assigns them duties. Now this bill proposes to raise the salaries of the members of that Board by \$2,000 for continuing to do nothing.

As I stated before, I supported the bill of the Senator from Illinois to confer upon this Board certain duties, but that bill has not as yet become law.

Under this amendment, when and if that bill becomes law Congress can then, if it thinks the members of the Board deserve it, increase their salaries; but until that time the very least we can do is freeze their salaries at the existing \$26,000 level.

Frankly, if we carried out all the arguments that have been made on the floor of the Senate to establish comparability, in this particular case we would do away with their salaries entirely, because I cannot conceive of any well-managed business organization in America carrying on its payroll five men at \$26,000 a year when they walk into the management's office and say, "For 17 months we have not done anything. We have not had a single job to perform. There is nothing we can perform if the board of directors takes no action to assign us some duties." As yet the board of directors, or Congress, has taken no action. The only action being taken now is to raise their salaries by \$2,000.

Mr. President, I hope the amendment is accepted. As I stated before, when and if the previous bill becomes the law we can then consider the need for raising their salaries.

Mr. DIRKSEN. Mr. President, is the time rationed?

Mr. MONRONEY. It is on the amendment.

I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, to adopt this amendment would be the most curi-

ous action the U.S. Senate could take. I fought through for the Subversive Activities Control Board because it is the only Board in Government we have that deals with the Communist conspiracy and subversive activities. It is up to the Attorney General, under the basic law which was passed in 1951, to petition that Board and send those cases there. The Attorney General appeared before the committee and said there were 100 organizations which ought to be cited to that Board. If the Board has not any business for the moment, whose fault is it?

First of all, the Supreme Court, in the sense that they saw fit to interpret the 1951 law with respect to compulsory self-confession. But Congress is not without culpability, because it has persistently jockeyed on this thing for months and months; and we are still jockeying around and not finishing that legislation. We sought to amend the basic act in every particular to meet the decisions of the Supreme Court; for it was up to Congress to so modify the law that the Board could then act, without requiring compulsory self-confession from either an organization or an individual.

Why has not Congress acted? I do not know. There is a peculiar kind of inertia that settles upon this body, as well as upon other legislative bodies, and they push it off and do not act. But that is not the fault of the Board, so why penalize the Board for the laches, the negligence, and the laxity that has occurred here on Capitol Hill, and for our failure to take steps to meet this threat that is so evident in the land?

The amendment should be rejected, because, in my judgment, it is absolutely punitive, it is discriminatory, it is partial, and it singles out one board that is ready to do its job fully, if Congress will only undertake its responsibility under the law and do what it ought to do.

I hope the amendment will be defeated.

Mr. MONRONEY. Mr. President, this amendment would reach into a blanket amendment that elevated some 100 positions in executive level 5 from \$26,000 to \$28,000 a year. The amendment of the distinguished senior Senator from Delaware would, as the distinguished minority leader has pointed out, block out two people, and put them back outside. I do not know what level they would then be in, because the amendment does not, I believe, put such positions in the regular salary scale.

I would think, since Congress has just recently voted and established its intent to maintain the Subversive Activities Control Board, that we are on the way to providing them with active duties again; and I, for one, would hate to lose good men by punishing them in this way, by making them the only two men of about 100 to be selected out.

I do not care to take any more time; I am ready to yield back the remainder of my time, if the Senator from Delaware is ready to yield back his, and we will vote.

Mr. WILLIAMS of Delaware. Mr. President, I shall yield back my time in just a moment.

From my point of view, my amendment does not discriminate against the members of this Board. If it does I am sure there are a great many people who would like to have such discrimination practiced upon them.

No one disputes the fact that for the last 17 months this Board has not performed one single duty. As I have stated, one of the members of the Board, in my office, confirmed that fact. He said, "It is embarrassing; all I do is collect my check and cash it." That is all he has done for 17 months.

It is true that the Senate has passed a bill sponsored by the Senator from Illinois to give the Board some duties. I supported that bill. But it is also true that the bill has not been acted upon in the House of Representatives and is not now the law. Until it does become law the Board has no duties.

I am just as much against communism as any Senator, but we are not fighting communism by carrying, not two but five people on the payroll at \$26,000 a year for 2 years with no duties to perform. If that is the best way we can find to fight communism we had better give up the fight.

All I propose in this amendment is that the salaries remain at \$26,000 a year until such time as Congress acts to give them some duties. The Senator from Oklahoma has appealed most eloquently for comparability between Government service and private employment. I ask him to name one industry in America, one private employer who after having five people on its payroll for 17 months with no duties, would say to them, "We are going to raise you \$2,000 a year so you can buy some more pinochle cards." Or perhaps they are tired of playing pinochle and want a chess board or something.

If it is the desire of Congress to give them duties let us first assign them some duties, but I feel that until we do assign them duties the least we can do is not raise their pay. Otherwise, let us forget about talking comparability, because I say again, no industry in America would be so foolish as to follow the action now proposed in the Senate insofar as it affects this Board.

Mr. MONRONEY. Mr. President, I yield myself 1 minute.

If, as the distinguished Senator from Delaware thinks, they have nothing to do, the proper amendment would be, not to give them a slap on the wrist by refusing to elevate their salary along with all the other employees of executive grade 5, but to abolish all five positions, and really save some money. Why do we not get into the big business of saving money, and offer a substitute amendment? If the members of the board have nothing to do, let us take them off the payroll.

Mr. WILLIAMS of Delaware. I might say to the Senator from Oklahoma and the Senator from Illinois, I believe that is an excellent suggestion. I tried to do that several weeks ago, and the Senator from Oklahoma and his colleague voted against it. That fight is over; I lost it. Now we have reached the point where we must decide whether we want to raise them \$2,000 a year because their \$26,000 is not quite adequate, on the basis of

comparable pay for sitting in an office for 17 months doing nothing.

I concede that that is probably not a very pleasant task. Perhaps they need a raise for I suspect that just sitting there looking at the four walls for 17 months or just reporting in once a day, may be growing somewhat boring, and perhaps some Senators think this do-nothing job is irksome enough to entitle them to \$2,000 more.

But I happen to be one taxpayer who thinks \$26,000 a year for doing nothing is more than adequate pay.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. If and when the House passes the Dirksen bill, what will the effect of the Senator's amendment be regarding the right of those members of the Board to receive the additional \$2,000?

Mr. WILLIAMS of Delaware. If that bill goes into effect later?

Mr. LAUSCHE. Yes.

Mr. WILLIAMS of Delaware. If the bill giving them duties goes into effect later Congress can if it wishes raise them at that time.

But if we do not pass the law giving them some duties, then, by all means, the very least we can do is not raise the salaries above the \$26,000 level.

We have crossed the bridge of whether or not we are going to keep them on the payroll. That was settled some time ago. As I have stated, I supported the bill sponsored by the Senator from Illinois to assign them duties. But no one disputes the fact that they do not have duties.

If that were solely the fault of the Attorney General of the United States I would say let us get rid of the Attorney General, but he has already stated that he feels he cannot assign them any duties until Congress acts.

So let us not pass the buck to the Attorney General. Let us accept responsibility right here where it belongs. We speak about the increased cost of living and inflation, but I do not see how we can justify a \$2,000 per year increase for five men to pay them to continue doing nothing.

I am willing to yield back the remainder of my time and vote if the Senator is.

Mr. MONRONEY. I yield 2 minutes to the distinguished senior Senator from Illinois.

Mr. WILLIAMS of Delaware. Then I withhold my time.

Mr. DIRKSEN. Mr. President, to pass this amendment would be to invite something like an elevator operation, because there is no question but that this bill will be enacted into law. Then what? Then we will be doing again what we are doing in this bill; we will be in duty bound to come back and raise these salaries. How long will it take? Well, we will stumble around with it for quite some time. Then there will be the question of whether we want to date them back, and make it retroactive; watch and see what kind of argument is made on that point, on the floor of the Senate.

I still insist that this is a punitive proposal, and should not be adopted

against a board that is ready, able, and willing to do its duty.

It is an overstatement to say that they do exactly nothing, because they have masses of evidence and testimony to be analyzed, and there is a considerable workload pending before the board, even though no new matters are presently being referred.

Mr. MONRONEY. Mr. President, I am prepared to yield back the remainder of my time if the distinguished senior Senator from Delaware is prepared to do so.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself a half minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for one-half minute.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Illinois said that if we agree to the pending amendment and later some duties are conferred on this board and an attempt is made to establish retroactive pay for the Board members there would be a fight on the floor. That is the underestimate of the year.

Certainly the Senator will not propose retroactive pay for the five Board members who are now drawing a salary of \$26,000 a year for doing nothing.

Why give retroactive pay to the five Board members who already receive \$26,000 a year for doing nothing. I repeat, the Board has no duties at present, it has had no duties for 17 months, and it will have no duties until Congress acts affirmatively on the bill now in the House.

Mr. President, I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Missouri [Mr. SYMINGTON], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey [Mr. WILLIAMS] and the Senator from Connecticut [Mr. DODD] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Iowa [Mr. MILLER] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] is detained on official business.

If present and voting the Senator from Texas [Mr. TOWER] would vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Iowa would vote "nay."

The result was announced—yeas 26, nays 61, as follows:

[No. 356 Leg.]

YEAS—26

Bennett	Hatfield	Prouty
Byrd, Va.	Jordan, Idaho	Proxmire
Cannon	Lausche	Ribicoff
Clark	Morse	Russell
Curtis	Morton	Spong
Dominick	Moss	Thurmond
Gore	Nelson	Williams, Del.
Griffin	Pearson	Young, Ohio
Hansen	Percy	

NAYS—61

Aiken	Harris	McGovern
Anderson	Hart	Metcalf
Baker	Hartke	Mondale
Bartlett	Hayden	Monroney
Bayh	Hickenlooper	Montoya
Bible	Hill	Mundt
Boggs	Holland	Murphy
Brewster	Hollings	Muskie
Brooke	Hruska	Pastore
Burdick	Inouye	Pell
Byrd, W. Va.	Jackson	Randolph
Carlson	Javits	Smathers
Case	Jordan, N.C.	Smith
Church	Kennedy, Mass.	Sparkman
Cotton	Kennedy, N.Y.	Stennis
Dirksen	Kuchel	Talmadge
Eastland	Long, Mo.	Tydings
Ervin	Long, La.	Yarborough
Fannin	Magnuson	Young, N. Dak.
Fong	Mansfield	
Gruening	McClellan	

NOT VOTING—13

Allott	McCarthy	Symington
Cooper	McGee	Tower
Dodd	McIntyre	Williams, N.J.
Ellender	Miller	
Fulbright	Scott	

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mrs. SMITH. Mr. President, I send an amendment to the desk and ask that it be read.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing her right to the floor?

Mrs. SMITH. I yield.

Mr. MANSFIELD. So that I may suggest the absence of a quorum, in accordance with the previous agreement, and it will be a live quorum.

Mrs. SMITH. And not taken out of the time?

Mr. MANSFIELD. Not taken out of the time of either side.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). First, the amendment will be stated.

The LEGISLATIVE CLERK. On page 130, line 22, after the first quotation mark and before the second quotation mark, strike the numbers "25,568" and insert in lieu thereof the numbers "27,055."

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, with the consent of the distinguished Senator from Maine, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

How much time does the Senator yield?

Mr. PASTORE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mrs. SMITH. I yield myself 5 minutes.

Mr. President, I ask for a live quorum, since this is of direct interest to every Member of the Senate, and I thought that the Members of the Senate should know what is involved.

Mr. President, the two top majority members of the Senate Post Office and Civil Service Committee yesterday made two very significant statements with respect to the pay bill now before us.

The chairman of the committee, the distinguished senior Senator from Oklahoma, stated:

I am getting a little sick and tired of two or three Members being afraid we might recognize the legislative branch as a coequal branch and deserving of coequal treatment. This is a case in point.

Mr. President, I, too, am getting a little sick and tired of some Members being afraid we might recognize the legislative branch as a coequal branch and deserving of coequal treatment. But the very bill reported out by the Post Office and Civil Service Committee does the very thing about which the chairman of that committee complains.

It does it against our own top staff members because it places a pay ceiling on our own top staff members at a level of nearly \$1,500 below that of the pay ceiling set for the classified workers in the executive branch. This is surely not making the legislative branch a coequal branch and deserving of coequal treatment as far as our top staff members are concerned.

To the contrary, it degrades and belittles our top staff members and makes second-class employees when compared to the employees of the executive branch.

Mr. President, if we are in righteous indignation to demand coequal treatment for ourselves as Members or for former Members, then surely in all consistency and good conscience we should demand the same for our own top staff members instead of degrading them into "second class" status as we have done for so many years.

Mr. President, I have said this repeatedly for many, many years, yet both the Post Office and Civil Service Committee and the Appropriations Committee have continued to give this second class treatment to our top staff members—both those of the Senators and of the committee staffs. My pleas have fallen on deaf ears.

One rather calloused answer that has been made to my pleas through the years has been: "Well, the top members of our staffs are not forced to stay here. They can leave and get better pay downtown in the executive branch if they want to. We have not chained them as slave labor to stay here against their own will."

This brings me to the very significant statement made by the No. 2 majority member of the Post Office and Civil Service Committee, the distinguished senior Senator from Texas. He said in debate yesterday:

We can have an employee here as a congressional employee, working in our office or for a committee for 25 years. Then he can go the executive branch and work 6 years for a salary of \$27,000. And that is not a high salary in the executive branch. That would be a high salary for our employees here, but not downtown. That man could get a GS-18, and many of them do. The Senators know how the executive branch bleeds our competent employees away from us. . . . We will not have Congress treated as a coequal branch of the Government unless we are willing to treat ourselves as being equal with members of the executive department.

Well, Mr. President, I ask, "How about treating our top staff members as being equal with the top GS-18 employees of the executive department?"

When we complain about coequal treatment and about the executive branch bleeding our competent employees away from us are we really serious? Do we really mean what we say? Are we willing to put into practice what we claim we preach? Are we willing to stop penalizing those top staff members whose loyalty to us and to the Senate is so great that they cannot be lured away by the executive branch?

Mr. President, I think it is about time for us to declare ourselves one way or the other. I think it is about time that we stood up and be counted on this matter one way or the other.

I, for one, am not going to ask for more coequal treatment for myself than for our top staff members—for more coequal treatment in the event that I should later become a member of the executive branch. That is why I voted for the Williams amendment yesterday.

But, Mr. President, I have concluded that such is not enough for registering my protest against this second-class treatment we give to our top staff employees. And so I am offering an amendment to make the legislative employee pay ceiling coequal with that of the executive employee pay ceiling.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MONRONEY. I deeply regret the necessity of opposing the amendment of one of the grandest Members of the Senate that anyone could ever have served with, a lady who is a faithful, dedicated, and knowledgeable member of the Committee on Appropriations and the Committee on Armed Services. I respect the great workload that the distinguished Senator carries.

Mr. President, I, too, am devoted to our staff. I claim credit, along with the late Senator Bob La Follette, in elevating them to professional status. When I served on the Committee on Banking and Currency in the House we handled such matters as price control, and we set up Bretton Woods, and we had as our only staff assistant a retired rural mail carrier. We have gone from that situation to what I think is a dignified, competent, and capable professional staff.

I would like, but I do not want, to upset the balance in this body that goes along with the various levels of status. I repeat that word "status." Senators occupy a status of which we are proud. Unfortunately, because of that status our other

employees come below in what we call compressibility as other salaries are raised. As they near the salaries of Senators we try to keep a little gap between them and us. This requires maintaining at least a percentage gap that exists between other layers of the officers of the Senate, members of our committee staffs, and our administrative assistants.

Having gone through this two or three times, it is not an easy job to try to prepare against a mistake in compressibility, in having employees of the Senate actually netting more salary than Senators because of their lack of expenses, which everyone knows a Senator must provide, but we tried to arrange the various levels as best we could. After a unanimous vote from the committee, which followed lengthy discussions, we fixed a limit at which other salaries of Senate employees would approach the salaries of Senators.

I think this degree of difference is necessary. It is not necessarily because of prestige but because it is required to maintain some difference between our employees and Senators.

—With unanimous consent, the committee fixed a rate of \$28,000 as the top salary for all Senate employees. That amount would go to the principal employees, and it applies to the three senior officers of the Senate: the Legislative Counsel, the Secretary of the Senate, and the Sergeant at Arms. These are our executive officers. These salaries should be fixed at \$28,000.

The next level would be the salaries paid for the Parliamentarian, financial clerk, and others above the committee level. I think there are three or four of those people who would be compensated at a rate not higher than \$27,000.

The general maximum now established by law is \$24,480, which should not be increased to a figure greater than \$26,000. We try to do this to maintain a degree of difference percentage-wise because we could not afford to disregard the time-honored rank of the different groups of our official Senate staff.

On the side of our staff members in our offices, and in connection with the Senate staff, I, too, regret that we do not have comparability with Members of the House of Representatives, but only as it relates to the committee staff in the House.

Today we pay our committee staff as follows: The Chief Clerk is paid at the rate up to \$24,480. Under the first step of this pay bill, that sum would go up to \$25,568, which is the 4.5-percent increase that all members of the executive department get in that grade, which is comparable and, therefore, they will have a raise next year, it is contemplated, and the 1968 step will take place and they will raise to not more than \$26,000.

It is true that the House of Representatives has a \$27,055 top for its committee chief of staff, while our committee chief of staff, as I said, will reach the level of \$25,568.

The House of Representatives sets its figures, and we set our figures. I might point out that there is a difference in the salaries of staff members in our offices. If comparability works one way, it must work both ways. I might point out

that House staff administrative assistants compared with ours are paid \$21,504. Yet our top salary is \$24,480. Therefore, there is a difference on the low side in the House for administrative assistants. The difference is just about comparable with the difference in the House on the high side and a little bit on the low side in committee. I admit it would be fine if we could make these salaries uniform.

I believe that the House moved its figure upward for committee staffs, so we are in some disagreement. I do not feel we can conscientiously move both groups of employees up to \$27,055, which would be a 9-percent raise from that which they are getting today when we are giving the rest of the Government a 4.5-percent increase, and not have it pointed out that we did twice as much for our employees as we were willing to do for the hundreds of thousands of general service employees downtown, all of whom get a limit of 4.5 percent increase.

Mr. President, I will respectfully ask, with all due appreciation for the rescheduling of these difficult jobs, that we not encumber the bill at this time with a 9-percent raise which would bring up the men and women who work under us—and they are very faithful. They undoubtedly will come up another 3 or 4 percent to be above the \$28,000 automatically next year if they are included beyond the limit we set.

I feel this compressibility may affect people who may be doing more work than I am doing, but certainly they do not have the responsibility for returning to their home States as we do, which it is essential that every Senator should do. Most of the people I know—and I do not think I have been unkind—do not think the committee has been niggardly with the Senate staff. I know that in the reorganization program we tried to rescale many of these. It was our bill which the Senate passed and now rests in limbo in the House. I do not know what will happen. This is a matter on which I do not think anyone will be hurt by the \$25,568 salary from the \$24,480 for our committee staffs. Let me again say that comparability does not exist here, if we consider our own personal staff which involves 100 at least for the Senate, and involves 435 for the House where we exceed their top limit of \$21,504 and our figure of \$24,480, both of which, under the bill, will go up by 4.5 percent and not by the 9 percent which is proposed by the amendment.

With all due respect, as tender a household matter as this has become, I think we must realize that we, too, should be restrained in our demands for pay increases. I think we have been as liberal as we can. We have observed as we must, the traditional status of the various offices below those of others, to keep some kind of recognized and historic differential between those who run the Senate; namely, the top three officers, the Legislative Counsel, the Sergeant at Arms, and the Secretary, on down through to the various groups, the Financial Clerk, and officers of that kind, which are carefully scaled down today by a percentage difference that is maintained in our traditional staffs. This would upset the whole balance. I do not

think it would be wise or should be insisted upon by the men who serve us.

Mr. CARLSON. Mr. President, I support the position the chairman has taken in regard to the proposed increase for the heads of staffs of Members of Congress. As he well knows, we spent hours and hours studying this problem. There has been considerable discussion in committee as to the discrepancies and the variance between House and Senate staffs. We regret that. We have had this matter up with Mr. Brenkworth on several occasions. There are some problems existing as to these salaries.

I sincerely hope that the pending amendment, despite its merits, will be rejected, because we set a limit of \$28,000 and we set that limit after much study and deliberation.

If this amendment should be agree to, then the salary of this particular individual would go to \$28,272 and would break the ceiling which, I think, would be most unfortunate for all employees working in the Senate. Therefore, I hope that the amendment will be defeated.

Mr. METCALF. Mr. President, will the Senator from Maine yield to me?

Mrs. SMITH. I am happy to yield to the Senator from Montana such time as he may require.

Mr. METCALF. Mr. President, when the Senate had before it the bill which came from the Joint Committee on the Reorganization of Congress, as the Senator from Oklahoma has told us, we looked into the problem.

At that time, I offered an amendment, and the Senator from Oklahoma was very generous in his support of it. It provided for some comparability for House and Senate committee staffs. That amendment is still pending in the House of Representatives.

Now I am prepared to offer an amendment which would make the pay increases which the Senate adopted at that time, by a vote of 2 to 1, applicable to the pending bill.

It would permit two committee staff members, to serve at \$27,055, and four at the second level of \$25,944. I spoke with the distinguished chairman of the committee and listened to his reasons why we should not make some of the increases.

Under present law, staff members in the House of Representatives receive the top salary of \$25,890. There is no limitation on that. There can be as many staff members at that rate as they can find appropriations for.

In the Senate, we have a limitation permitting only one committee staff member to receive the top salary of \$24,480—a disparity of \$1,410 annually.

When the bill is enacted, that disparity will go up, to make a difference of \$2,000 annually.

All that the Senator from Maine [Mrs. SMITH] is trying to do is to say that we can have one staff member on the same basis as on the House side. Many of us have served in the House as well as in the Senate, and we have great admiration for the staff members there. But we still have a superb staff who work with us in the Senate, too. We know the

kind of valuable work they do. They are a highly professional staff, whose activities the Senator from Oklahoma has mentioned.

We talk about prestige. Well, just as a matter of prestige, our staff members, who do the same work and perform the same functions, have the same right to the salaries as are paid in the other body. We do not like to see them leave us, but they do leave us. They go downtown too, and get more money.

Under the bill, we are limiting our senior officers on the Senate side to \$28,000—as well as limiting to \$27,055 employees in the General Accounting Office and the Library of Congress. We are limiting our committee staff members to even less than that; yet GS-18's in every other agency can go up to \$28,000, as the Senator from Oklahoma has mentioned.

I see no reason why we should not adopt the amendment offered by the Senator from Maine, recognizing that we need and desire, and that our staffs are entitled to, some comparability, and move one of these staff members up to at least \$27,055.

Mr. MONRONEY. Is not the Senator from Montana overlooking the fact that if we are to have this comparability, we will have to reduce the pay of our administrative assistants by some \$3,000? I am not ready to do that.

Mr. METCALF. That is a matter which the House of Representatives should take care of in its own housekeeping. If the House wants to raise the pay of their staffs, that is their problem. They will have to take care of it. But we should recognize that at least one member of our staff has just as high a professional standing, does just as good a job, has just as much experience, and has just as much responsibility as staff members in the other body.

Mr. MONRONEY. I should like to inquire of the distinguished Senator from Maine as to the numbers to be affected by the amendment. Would we have more than one staff member at the top salary?

Mrs. SMITH. No. My proposal is for only one. I am not wedded to any particular formula. All I am trying to get is equality between the executive branch and the Senate.

I do not like the idea of our people being belittled and degraded in comparison with GS-18's in the executive branch, which they insist on. I say to the chairman: Let us cut down the GS-18's in the executive branch, if that is what he would like, and I would go along with him on that.

Mr. MONRONEY. We are cutting down on the escalation at the higher levels to run below the \$30,000 Senate salary. So many who would go above the \$30,000 figure on this raise are denied that raise in the executive department. We are trying to preserve this at the level of Senators as to the ordinary comparability of the various grades.

I wish we could display a little patience so that we could study this problem more carefully. It does not properly belong in a general pay bill because here we actually would be changing grades. It think we would be in a bad way there, to say that we raise our own assistants, 100 of

them, of Senate Members, and some 14 or 15 in the committees, by 9 percent, when we held all raises at the general service level to 4.5 percent.

I think it would be in better taste and much better to consider, with all due regard to the capabilities of the people who serve us, to take this up in a more leisurely way, to have an adequate study made between the careful relationships of the first, second, third, or fourth echelons of Senate officers, so that we will not reach this normal differential.

I hope the Senator will support the committee. We had no hearings on this amendment. We know a great deal about it. Perhaps we do not need hearings. But I think it would be much more appropriate to take this proposal up in a legislative appropriation bill.

Mrs. SMITH. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. 4 minutes.

Mrs. SMITH. Mr. President, I am intrigued by the Senator's plea for restraint. I agree with him on the need for restraint in other areas as well as this one. I am also intrigued by the Senator's plea for patience. I think he will remember that 10 years ago almost the same words were uttered on this floor. I have been patient for 10 years or more. I have been trying to get something done legislatively as well as in appropriations, so I am sure he will not disagree with me on the matter of my having been patient.

I will go back to the statement about the 9-percent increase. It was only because our people were held down that that particular group received the 9-percent increase.

As I understand, if I am correct—and the chairman will correct me if I am not—a year from now the differential will be even greater, because the GS-18 salary will be \$28,000 and the salary here could not be higher than \$26,000, which would be a \$2,000 differential.

I just do not understand why, under the guise of further study, patience, restraint, or anything else, we should be willing to have our people here made second-class employees compared to the executive branch.

Again, all I say to the chairman and the committee is that it seems to me that some way ought to be found to put them on the same level. I will go all the way with them if they want to present an amendment to get the GS-18 down to the level of our own top people. Otherwise, I would like to have a vote on my amendment. As the Chair knows, I have called for the yeas and nays.

I yield back the rest of my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maine. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SPARKMAN (after having voted in the affirmative). On this vote I have a live pair with the Senator from New Jersey [Mr. WILLIAMS]. If he were present and voting, he would vote "nay"; if

I were to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Indiana [Mr. BAYH], the Senator from Connecticut [Mr. DODD], the Senator from Wyoming [Mr. MCGEE], the Senator from Missouri [Mr. SYMINGTON], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Iowa [Mr. MILLER] and the Senator from Texas [Mr. TOWER] would each vote "nay."

The result was announced—yeas 27, nays 61, as follows:

[No. 357 Leg.]

YEAS—27

Anderson	Gruening	Mondale
Baker	Hartke	Montoya
Bartlett	Hill	Murphy
Case	Inouye	Muskie
Clark	Jackson	Pearson
Dirksen	Javits	Percy
Dominick	Jordan, N.C.	Smith
Fulbright	Kuchel	Yarborough
Metcalf	Griffin	Young, N. Dak.

NAYS—61

Aiken	Harris	Morton
Allott	Hart	Moss
Bennett	Hatfield	Mundt
Bible	Hayden	Nelson
Boggs	Hickenlooper	Pastore
Brewster	Holland	Pell
Brooke	Hollings	Prouty
Burdick	Hruska	Proxmire
Byrd, Va.	Jordan, Idaho	Randolph
Byrd, W. Va.	Kennedy, Mass.	Ribicoff
Cannon	Kennedy, N.Y.	Russell
Carlson	Lausche	Smathers
Church	Long, Mo.	Spong
Cotton	Long, La.	Stennis
Curtis	Magnuson	Talmadge
Eastland	Mansfield	Thurmond
Ervin	McCarthy	Tydings
Fannin	McClellan	Williams, Del.
Fong	McGovern	Young, Ohio
Gore	Monroney	
Hansen	Morse	

NOT VOTING—12

Bayh	McGee	Sparkman
Cooper	McIntyre	Symington
Dodd	Miller	Tower
Ellender	Scott	Williams, N.J.

So Mrs. SMITH's amendment was rejected.

GIFT OF EISENHOWER HOME AND FARM AT GETTYSBURG, PA., TO THE FEDERAL GOVERNMENT

Mr. JACKSON. Mr. President, I was happy to hear the official announcement today that former President Dwight D. Eisenhower has donated his home and farm in Gettysburg, Pa., to the Federal Government for national historical purposes. The property adjoins the present Gettysburg National Military Park.

This is a magnificent gift. It will preserve the former President's attractive residence and farmland as the Eisen-

hower National Historic Site. The total land involved is 230 acres. Under the terms of the donation, General Eisenhower would reserve a life interest in the property.

Under existing law, such a gift can be accepted by the Secretary of the Interior and designated as a national historic site. However, it has been customary to withhold such a designation until legislation is approved by the Congress.

During recent correspondence with President Eisenhower regarding his public-spirited intention to make this gift, I informed him that legislation was customary. He wrote back to say that he would be happy to have me introduce such legislation. He said it would be pleasant to know that public opinion, as represented in the Congress, would approve of the transaction.

Accordingly, Mr. President, I introduce for appropriate reference a joint resolution to authorize the development by the Federal Government of the gift of the Eisenhower home and farm at Gettysburg, Pa. However, the property will not be developed during the tenure reserved by President and Mrs. Eisenhower.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements and for other purposes.

AMENDMENT NO. 474

Mr. CARLSON. Mr. President, I call up my amendment No. 474.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CARLSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON's amendment (No. 474) is as follows:

(a) (1) On page 82, strike out the table immediately following line 2 and all that follows down through line 7, and insert in lieu thereof the following:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.13	.14	.15

(2) By adding at the end thereof the following:

"(d) The rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

" [In cents]

	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zone 1 and 2-----	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3-----	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4-----	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5-----	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6-----	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7-----	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8-----	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion-----	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece-----	.13	.14	.15	.15	.15	.15"

(b) On page 88 immediately following line 18, strike the table and insert in lieu thereof, the following table:

"Type of mailing	Rates			Unit
	Mailed prior to Jan. 7, 1968 (cents)	Mailed on and after Jan. 7, 1968, and prior to Jan. 5, 1969 (cents)	Mailed on and after Jan. 5, 1969 (cents)	
(1) Individual piece-----	6 2	6.0 2.0	6.0 2.0	1st 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—				
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	12	15.0	15.0	Each pound or fraction thereof.
(B) Other matter-----	18	22.0	22.0	Do.
(C) Minimum charge of-----	2½¢	3.6	3.8	Per piece."

Mr. CARLSON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MONRONEY. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. MONRONEY. Mr. President, since the proposed amendment deals with matter on two separate pages of the bill and with three separate categories of mail, I ask at this time, if it is parliamentarily possible, for a division of the question when voted upon.

I ask unanimous consent that while we are waiting for a decision of the Chair on the question of division, that the Senator from Kansas be permitted to proceed, and we can thus save some time.

The PRESIDING OFFICER. The Senator from Kansas may proceed.

Mr. CARLSON. Mr. President, I am offering this amendment together with the distinguished Senator from Indiana [Mr. HARTKE] and the distinguished Senator from Indiana [Mr. BAYH].

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Kansas may proceed.

Mr. CARLSON. Mr. President, I am offering an amendment which would correct certain inequities in the postal rate bill.

First, it would adjust the rate on second-class mail affecting religious and nonprofit publications in such a manner as to conform to the treatment afforded in the pending bill to profitmaking newspapers and magazines.

Second, the amendment would conform the rates on third-class mailings to the rate adopted by the House, 3.8, over a 2-year period.

This amendment would be helpful to

veterans organizations, civic clubs, fraternal organizations, and churches, who use their publications to inform their membership with no thought of profit.

The pending bill as reported by the committee carries a provision that will impose a 60-percent increase, at one stroke, in the second-class postage rates on lightweight publications of nonprofit labor, church, educational, civic philanthropic, fraternal, and veterans' organizations.

Such publications, if weighing less than an ounce a copy, are now subject to the minimum rate, which is one-eighth of a cent a copy. The Senate committee bill would raise that to one-fifth of a cent a copy, effective January 7, 1968. This amounts to a 60-percent increase.

By contrast, commercial publications and others which come under the pound rate would bear only a 23-percent increase, spread out over a 3-year period, or approximately 7 percent a year.

The amendment would provide that the minimum second-class rate for lightweight, nonprofit publications be increased by approximately 20 percent over a 3-year period, roughly the same percentage as commercial publications.

Here is a typical example of how it affects one such nonprofit publication:

Labor Newspaper, as you may know, is the national weekly of 18 railway unions and goes to approximately 550,000 subscribers in the United States. It is an eight-page tabloid and weighs less than an ounce. As such, it is subject to the minimum rate.

Labor Newspaper asks for no preferential treatment. It requests approximately the same three-step increase as proposed in the committee bill for other second-class publications.

A jump of 60 percent, as proposed in the committee bill, would cost Labor

Newspaper an additional \$20,000 a year. This would be a very critical blow to this paper's slender financial resources—and to hundreds of other nonprofit labor publications.

Labor Newspaper is established as a nonprofit cooperative. It carries no advertising. Its only source of income is from voluntary subscriptions. In a few cases, railway unions subscribe for all their members, in others, local lodges subscribe, and in addition, thousands of individuals subscribe. Subscription rates cannot be easily raised, and they do not come overnight. Just as in the case of commercial publications, it often takes years to secure subscription rate increases.

To the Post Office Department, a 60-percent increase in the minimum rate on all nonprofit publications would yield an insignificant amount of revenue—far less than \$1 million. But to labor newspaper and the labor press as a whole, the effect would be harsh and even devastating.

We think Senators will agree it is not fair to impose a 60-percent increase in one stroke on publications least able to pay, while only a little over 20 percent is imposed over a 3-year period on commercial publications.

Among those this amendment will help are veteran groups, gasoline stations, department stores, civic clubs, fraternal organizations, churches, corporations and partnerships, museums, schools, volunteer fire companies, newspapers and other publications delivered within the county, trade unions, mail-order houses, political candidates, and so forth. There are 275,000 third-class permit holders in the United States. The average congressional district has more than 500 permit holders.

There are hundreds of thousands of semiskilled and handicapped workers employed in the direct mail field. If the volume of such mail should severely drop through too high postage rates, these semiskilled workers will be the first to suffer. More than 4½ million persons depend on third-class sales for their livelihood.

Assuming arguendo that third-class mail is paying less than its allocated costs, it is not as a subsidy, but as a recognition of the deferred service it receives and the lesser value it represents. Deferred mail was created by Congress to keep valuable employees profitably occupied during any slack period and to create increased mail volume. It takes on the average 18 days for a third-class piece of mail to be delivered from Washington to San Francisco. If it were not for the deferred mail category, thousands of postal workers would be removed from their jobs.

The Postmaster General stated before the Senate committee on October 16:

ZIP Code pre-sort savings are averaging two-tenths of a cent per piece, and applied to projected 1968 volume this would mean total annual savings of about \$35 million for bulk third class and \$18 million for publishers' second-class mail. In other words, were it not for pre-sorted second and third class mail we estimate our expenses in 1968 would be \$53 million higher.

Eighty percent of the costs are for labor, and labor is used primarily for the handling, carrying, and sorting of mail.

As the result of ZIP code regulations, much of this handling is done at the expense of the bulk mailers. A piece of mail is handled on the average of 15 times by postal employees. Bulk mailers do nine of these handlings at their own expense.

Many magazines of small circulation, such as the many educational, civic, trade union, and veteran publications, are hit very hard by this bill. The committee bill provides for a 60-percent increase in the piece rate for nonprofit second-class mail, and the piece rate for in-county second-class mail. This would be catastrophic to many publications which survive on marginal revenues. In addition, the proposed increase is very discriminatory since the overall second-class rates will increase 20 percent and spread over a 3-year period.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Will the Senator indulge the Chair so that he may rule on the question that has been raised?

A division of the question having been demanded, the Chair rules that the amendment is divided into three parts.

The first part is that on page 1, from line 1, down to line 4.

The second question would be on page 1, beginning with line 4, down to line 3 on page 2 of the amendment.

The third question would be on page 2, beginning with line 3 of the amendment down to the end of the amendment.

The yeas and nays having been ordered, there will be a rollcall on each one of the separately divided questions, with a time limitation of 1 hour—30 minutes to the side—on the entire question, not on each division, but 1 hour total on the amendment, 30 minutes to the side.

Mr. CARLSON. Mr. President, I have made the case on the first part of the measure dealing with the veterans organizations and other groups.

As the Chair has ruled—and I think rightfully so—it is divisible. I have nothing further to say at this time except that many magazines of small circulation, such as educational, civic, trade union, and veterans publications, are very hard hit by the pending bill.

The committee bill, as I stated, provides for a 60 percent increase on a piece-rate basis for nonprofit second-class mail, and the piece rate in the county second-class mail.

This would be catastrophic in my opinion. Many publications are nonprofit and are published to help their membership and others who are concerned.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. PASTORE. Mr. President, the Senator from Rhode Island is curious to know the rationale that was used by the committee in imposing a 60-percent increase on nonprofit publications, whereas on profit publications it is much less. Why the distinction? What is the reason for it?

Mr. CARLSON. Mr. President, I shall be glad to let the distinguished chair-

man of the committee answer the question.

I opposed this provision in committee. I think it would be too great an increase.

Mr. MONRONEY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. MONRONEY. Mr. President, the main rationale, I say to my distinguished colleague, the senior Senator from Rhode Island, is that the rate is one-eighth of a cent for accepting that mail, sorting it, and putting it out on a route, rural or domestic. We charge that much for that service.

It costs as much to deliver that mail as it costs to deliver a letter that we are now charging 6 cents to deliver.

We do raise the rate 60 percent. It would go up from one-eighth of a cent to one-fifth of a cent. I say that it is high time that these rates started to go up, whether for charitable or other nonprofit organizations.

There are some 8,000 to 10,000 magazines in publication and enjoying this ridiculously low rate.

I think the committee had adequate hearings on the matter. It is ridiculous to say that we should charge the average woman 6 cents to mail a letter to her son or husband in Vietnam and at the same time allow the so-called 8,000 to 10,000 nonprofit organizations to continue to enjoy a rate of one-eighth of a cent.

It is a 60-percent increase. It is an increase from one-eighth of a cent to one-fifth of a cent.

Mr. PASTORE. Mr. President, I can realize the drama of bringing the widows and the boys in Vietnam into the question. However, let me ask this question: How much are we charging the paid publications, those magazines and newspapers that operate for profit? How much do we charge them as against the widows and our boys in Vietnam? Let us make that comparison.

Mr. MONRONEY. Mr. President, by quick mathematics I believe we are charging them better than 10 times what we are charging the so-called nonprofits.

Mr. PASTORE. How much less do we charge them than we charge the writing mothers?

Mr. MONRONEY. We are charging them 1.3 cents minimum on all publications on profitmaking publications, for second class. That is the minimum. It goes up by the pound rate.

Of course, the minimum rate is primarily for the small county newspapers. We also raise their rate. Everyone gets an increase. No one gets a lesser amount of increase than the ones who are asking at this point to try to remain at one-eighth of a cent instead of being raised 60 percent to one-fifth of a cent.

Mr. PASTORE. The practice has been that we have been charging parents the regular rate for mailing letters to their boys in Vietnam. We are asking them to carry the load for the profitmaking publications that have actually been receiving a boon.

It costs just as much and even more money to deliver Time or Life magazine as it does to deliver a letter.

I think that in the past we have been

too preferential in the case of all of the publications.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for an additional 2 minutes.

Mr. MONRONEY. This class of mail is now paying only 7 percent of its cost to the Post Office Department. The loss is \$126.2 million a year. That is not hay in this day and age when the distinguished chairman of the Finance Committee is trying to find ways and means to meet the financial requirements of the Government.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LONG of Louisiana. Mr. President, I do not find any fault with the Senator for trying to raise the mailing cost of an item that costs 5 cents to deliver from the present cost of one-eighth of a cent to a cost of one-fifth of a cent.

However, as the chairman of the committee that has to raise the money to pay for this, I think you are not charging enough. How does the Senator excuse having the cost that low?

Mr. MONRONEY. We are trying to recognize the traditional, historic benefits of the veterans organizations, the Red Cross, the cancer societies, and also the Hibiscus Society of Alabama. Look at this list. The book is approximately a foot thick, with the names of people who enjoy nonprofit, charitable rates. Just about everybody is in it, including many of our fine civic clubs and some of our great national organizations which enjoy the same rate.

Mr. LONG of Louisiana. How does one explain to people that \$1 of their taxes is used to pay for mail they do not want?

The PRESIDING OFFICER (Mr. Spong in the chair). The time of the Senator has expired.

Mr. MONRONEY. I do not wish to impinge upon the time of the Senator from Kansas. I only meant to answer the question of the Senator from Rhode Island as to why we raise this class of mail 60 percent.

Mr. PASTORE. All I am trying to point out—and this is also in answer to the Senator from Louisiana—is that in the past, and even now, the profitmaking publications have been the sacred cow; and they have been subsidized by those mothers and those widows who are writing letters to the boys in Vietnam. Let us face it.

Mr. MONRONEY. The Senator can submit an amendment that would increase rates. I am trying to prevent the loss of revenue. I am trying to cover as much of our cost of operation as possible. The bill is open to amendment to increase the second-class rates. This amendment would decrease second-class rates in many respects.

Mr. LONG of Louisiana. What is happening in the House is that the committee with the responsibility of raising all this money is revolting against the committee spending all this money. The debate is going on between the Senator from Louisiana and the Senator from

Rhode Island at this time. The people who must raise the money are saying, "We refuse to raise taxes; you pay for it."

I cannot see any reason why the Senator from Oklahoma would let these people get off with one-fifth of a cent. I think he is being most generous.

Mr. MONRONEY. I thank my colleague.

I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, the issue is very simple. For years, the Post Office Department has regarded these groups as nonprofit organizations and has carried them as performing a public service.

The chairman and I disagreed in committee, and we disagree now. To me, the Post Office Department is a public service organization.

I have in my hand the Scouter, which is a weekly digest of the national Scout organization. It is distributed to the Scout leaders and others interested in this great movement. Certainly, no one would say that this is a profit organization. You and I contribute to it. It is a great organization.

If the committee amendment is adopted, it will cost the Boy Scout organization \$86,000 a year. It is not a small item. We are talking about large sums of money today.

Therefore, it seems to me that we can continue, as a great nation, to be interested in taking care of and assisting people who are trying to help others. That is all the pending amendment would do.

Does the Senator from Indiana wish me to yield to him?

Mr. HARTKE. Will the Senator yield for a question?

Mr. CARLSON. I yield.

Mr. HARTKE. Does the Senator know what the estimated loss of revenue is with regard to the handling of the mail of these organizations which are putting out such publications?

Mr. CARLSON. This will cost \$1 million.

Mr. HARTKE. Is the Senator aware that there are more than one-quarter of a million separate organizations—approximately 275,000—which the Senator from Oklahoma indicated would continue to use such an operation, if they can continue in business, if it is not a burden on them?

Am I correct?

Mr. MONRONEY. I said there were 8,000 to 10,000 magazines. The book is about a foot thick, completely filled with names of societies and organizations. It makes interesting reading, but one is astonished as to how gracious the Federal Government has been to this typical class of nonprofit second-class user. Wealthy churches are using it to mail from here to Hawaii for one-eighth of a cent, and now it will go to one-fifth of a cent.

Mr. HARTKE. Is it not true that there are approximately 275,000 publications and the revenue is less than \$1 million, which means that the cost for any one organization or any one publication can hardly be found, that it is like finding a needle in a haystack?

It is not the same amount of money as the Senator from Rhode Island spoke

about with respect to the large publications. In the case of most of these publications it amounts to the difference between their staying in business or going out of business. I do not wish to pass judgment on these organizations. I do not know what the hibiscus organization is. I have never heard of it. If people like flowers and like to send out leaflets about flowers and encourage people to appreciate the beauty of life. I do not see anything wrong with that. If it is a difference of \$50 to them, it may mean the difference between staying in operation and ceasing operation.

A great issue has been made of this matter, as though this is a major part of the bill. This is a minor part of the bill. The original report of the Bureau of the Budget was that it would be a negligible amount.

The amendments we are considering really involve a very severe increase in rates. Perhaps the Senator from Oklahoma does not believe it is very much, but it is a great deal of money to these people, compared with the amount of money they are receiving. All they wish is to be treated fairly.

I believe the Senator from Rhode Island has made a good point: The percentage of increase for the big publications is not nearly as large, and this is a fact of life. It is true that much more money is involved.

It seems to me that the issue comes back to the basic proposition as to whether you really want to hit them hard, and I know that some people would like to hit them hard and drive them out of business. Apparently, everybody is supposed to send their publications by first-class mail.

I believe that the mail service is one of the great operations of this country. We started with RFD—rural free delivery. It is a great service to this country. People who accuse it of being a boondoggle or anything such as that are doing an injustice to a fine organization.

I wish the Post Office Department would give as much attention to the delivery of the mail as it does to criticizing people who try to use it to promote their own charitable organizations and good ideas.

Mr. CARLSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CARLSON. Do I correctly understand that, under the ruling of the Chair, all three of the separate divisions in the amendment must be discussed and the discussion is to be completed before a rollcall vote can be had on any one of them?

The PRESIDING OFFICER. The Senator is correct.

Mr. CARLSON. And the discussions on the three separate items must be completed within 1 hour?

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MONRONEY. I yield. I should like to keep it brief.

Mr. LAUSCHE. I shall be brief.

When was the last time that an increase in the rates was instituted in the

carrying of what is called nonprofit service leaflets and magazines?

Mr. MONRONEY. With respect to nonprofit magazines, it was 1962. This is 1967. They have been enjoying this rate, which covers only 7 percent of the costs, since 1962. Before that, it was distinctly less, and it went on for many years. Under this "terrible" 60-percent raise, it would only come up to 9 percent of our cost, and this would not be so bad if you singled out the American Red Cross or such organizations. But this includes 8,000 or 10,000 magazines about which the distinguished Senator has spoken.

He said it is only \$1 million. This demonstrates the tenderness with which we tried to treat this class. He then said to leave it as it is because it is only \$1 million. The Senator cannot have it both ways.

Mr. HARTKE. Is it not true that in the last 15 years second and third class have been raised 122 percent and 188 percent respectively?

Mr. MONRONEY. This rate in 1962 was—is the Senator talking about the first amendment?

Mr. HARTKE. As I understand the ruling of the Chair I am talking about all three.

Mr. MONRONEY. There are three separate groups. Are we talking about second-class nonprofit? This is not my understanding.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield time?

Mr. MONRONEY. No. I am on limited time. The Senator is speaking on the other side of the issue and I would suggest that he get time from the Senator from Kansas.

The PRESIDING OFFICER. Does the Senator from Kansas yield time?

Mr. CARLSON. How much time does the Senator require?

Mr. HARTKE. I would like to proceed for 2 minutes.

Mr. CARLSON. I yield 2 minutes to the Senator.

Mr. HARTKE. Mr. President, I wish to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARTKE. Is it not true that all parts of this amendment which have now been divided are being voted on in succession without intervening debate?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARTKE. This is the point I am making. Mr. President, I ask that I be permitted to proceed for 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARTKE. I wish to speak on the time of the Senator from Kansas.

Is it not true that during the last 15 years second- and third-class mail, which these amendments are directed to, have had an increase of 122 percent and 188 percent, respectively?

Mr. MONRONEY. I think we would be—I cannot exactly say. I can only say that this second-class nonprofit up to now is only paying 7 percent of the cost, and this would raise it to 9 percent of cost coverage.

Mr. HARTKE. The Senator does not know how much the rate was increased in the last 15 years?

Mr. MONRONEY. I cannot keep all of that information in mind. I know it has gone up from 1 cent to 2 $\frac{7}{8}$ cents in 40 years in third class.

The Senator is figuring percentages and when one figures percentages there is figured the fraction of a cent. You can get 60 percent by raising it a quarter of a cent, which does not make sense.

Mr. HARTKE. These people can be put out of business. There are certain handling processes which are eliminated in third-class mail which the Post Office Department does not have to do, specifically including ZIP code. Is that correct?

Mr. MONRONEY. The amount we raised over the present rates is 0.075 cent for in-county and nonprofit second class. I do not believe this is too much when one considers all that a postman has to do. He has to carry this material the same as first-class mail, deliver it to the right address and put it in the right box. The nonprofits can go across the country to Hawaii. By raising 0.007 cent, you have 9 percent.

Mr. HARTKE. I thank the Senator, but that is not in answer to the question I asked. However, it is all right. It is all right with me, but in order to put the question back in sequence with the answer, the question which I asked—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARTKE. Mr. President, I ask that I be permitted to proceed for 2 minutes.

Mr. CARLSON. I yield 2 minutes.

Mr. HARTKE. Is it not true in handling processes at the present time there are 14 separate operations generally decided to be the job of the Post Office Department on first-class mail?

Mr. MONRONEY. I think it is something like that, yes. It is in the hearings and the Senator can find it there.

Mr. HARTKE. In third-class mail, there are nine operations by handlers.

Mr. MONRONEY. We are not talking about junk mail.

Mr. HARTKE. I am talking about third-class mail.

Mr. MONRONEY. That is junk mail. The Senator is going from in-county in one debate to second-class and nonprofit mail thereafter, and now we are on junk mail.

Perhaps we could simplify the Senator's understanding if we try to stay on one matter and get a unanimous-consent agreement to have a vote on each section of the bill. It is going to be confusing.

Mr. HARTKE. I am not confused.

Mr. MONRONEY. Let us talk about each of the sections in the bill and then we will have an intelligent approach.

Mr. HARTKE. I am not confused. It was not the Senator from Indiana who requested the division.

If the Senator from Oklahoma did not understand the question, that is one thing. I asked whether or not those processes, which are ordinarily required of first-class mail, consist of some 14 of them, handled by mailers.

Mr. MONRONEY. That was the testimony. That included every single phase of bringing it to the post office and so on.

They had 39 processes and about six or seven more if they took the mail from the Printing Office. They are still charging a great many of the operations to the mailers in the post office. It was about as phony as a \$3 bill.

Mr. HARTKE. I am not the one who complains about using time. I got my time from the Senator from Kansas and the Senator from Oklahoma is keeping all the time.

Is it not true that there was a statement by the Postmaster General on October 16 that ZIP code savings are averaging 0.2 of a cent and projected into 1968 this means there are annual savings of about \$35 million and, using the words of the Postmaster General, were it not for that it is estimated expenses in 1968 would be \$53 million higher.

Mr. MONRONEY. Yes, but they are still losing \$316 million on the operation at the old rate of 61-percent cost coverage.

At the present rate that does not pay for junk mail mailers. This is commercial mail and has nothing to do with public service. Why should it be passed on to first-class mail?

Mr. HARTKE. I would be very glad to listen to a speech by the Senator from Oklahoma on his time.

Mr. MONRONEY. The Senator asked the question.

Mr. HARTKE. I asked if the Postmaster General made such a statement.

Mr. MONRONEY. He did. He went on to say that the cost was not as much in savings and we do not approach the cost coverage by 75 percent.

Mr. PASTORE. Mr. President, will the Senator yield for a parliamentary inquiry?

The PRESIDING OFFICER. Who yields time?

Mr. MONRONEY. I yield time.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Mr. President, without taking time out of the amendment, which is 1 hour, I understand, one-half hour on each side, would it be possible by unanimous consent to have a rollcall on each part before we get to the second part? Could we vote on the first part and then discuss the second part and take a vote on that, and then the third vote in order that debate be confined in the 1-hour period? Can we do that by unanimous consent?

The PRESIDING OFFICER. The unanimous-consent agreement under which we are operating presently may be amended and modified by subsequent unanimous consent.

Mr. PASTORE. Mr. President, I ask unanimous consent that we take a rollcall vote without taking the time out of the time of the 1 hour on each part of the divided question.

The PRESIDING OFFICER. The Chair states that there already will be a rollcall on each part.

Mr. PASTORE. I know, but the fact is that we are going to take them in succession after the hour has expired. I want to interrupt the hour by taking the rollcall vote on each part as we debate it.

Mr. CARLSON. Mr. President, I did not suggest the division. In view of the situation where we get three rollcall votes, I hope the suggestion of the Senator from Rhode Island carries. I think we should do it.

The PRESIDING OFFICER. The Chair would say to the Senator from Rhode Island that he may, in his unanimous-consent request, suggest that there be a period of time between each rollcall vote and then accomplish what he desires.

Mr. PASTORE. Mr. President, I ask unanimous consent that 20 minutes be allotted on each one of the three parts, and at the termination of 20 minutes we take a rollcall vote without counting that as a part of the time.

The PRESIDING OFFICER. Is there objection?

Mr. CARLSON. Mr. President, reserving the right to object, and I shall not object, everyone understands the issue and 20 minutes, 10 minutes to a side, if agreeable to the chairman of the committee, is agreeable to me.

Mr. MONRONEY. That is agreeable to me, but debate should be germane and it should not go all over the lot.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. MONRONEY. Mr. President, how much time is remaining?

The PRESIDING OFFICER. Ten minutes to the Senator from Kansas [Mr. CARLSON], and 19 minutes to the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Was the Senator from Indiana through?

Mr. HARTKE. No, I was not.

Mr. MONRONEY. We have not discussed yet the matter on the first amendment we are going to vote on in the first division. I should like to get to that. Then we have the question of the second and the third. So let us take it section by section. I would hate to yield my time—the 19 minutes that I have—to discuss something we are not going to vote upon for a half an hour or three-quarters of an hour.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

Mr. MONRONEY. Well, Mr. President—

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Indiana for the purpose of making a parliamentary inquiry?

Mr. HARTKE. Mr. President, the Senator from Kansas yielded to the Senator from Indiana.

Mr. MONRONEY. Mr. President, I will yield to the Senator from Indiana from time on the bill for his parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Indiana will state it.

Mr. HARTKE. Mr. President, how can the Senator from Oklahoma have 19 minutes, when only 20 minutes are reserved for discussion of the amendment on both sides, with 10 minutes to a side?

The PRESIDING OFFICER. The understanding of the Chair was that there would be 20 minutes on the second and third part.

Mr. MONRONEY. Mr. President—

Mr. HARTKE. I do not care how much time he has. I am trying to find out something. I had understood, under the unanimous consent request, that there would be 20 minutes on each part.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARTKE. On each part of the amendment, with the time to be equally divided, 10 minutes on a side. Am I incorrect in that statement?

Mr. PASTORE. The Senator is correct.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARTKE. Then how can the Senator from Oklahoma have 19 minutes when there are only 10 minutes permitted to each side?

Mr. MONRONEY. On three votes I have 19 minutes left according to the Presiding Officer.

The PRESIDING OFFICER. That is right.

Mr. MONRONEY. Mr. President, in order to allow the Senator from Indiana to—

Mr. HARTKE. I do not care now—

Mr. MONRONEY. I yield him such time on the bill as he may wish, to propound a question.

Mr. HARTKE. I believe the Senator from Kansas yielded me 1 minute. I should be able to finish what I had in mind in that time.

Mr. MONRONEY. I have so little time, I am glad to yield to the Senator from Indiana such time as he may desire from the time on the bill.

Mr. HARTKE. I am not complaining.

Mr. PASTORE. Mr. President, we are wasting time. The Senator from Kansas [Mr. CARLSON] yielded 1 minute to the Senator from Indiana. He wants 1 minute, but he has used up 2 minutes. Let us get going.

Mr. HARTKE. Mr. President, in regard to the question of publications, Congress has consistently recognized that the "postal service is a public service." The nonprofit second-class and third-class mail, to which this amendment applies, provide the advancement of education and culture, the dissemination of information, the distribution of articles of commerce and industry, provide a basis for communication of intelligence, and contribute materially to the growth of many commercial enterprises, the national economy, and the public welfare—all of which contribute to making these classes of mail part of the public service.

Many magazines of small circulation, such as the many educational, civic, trade union, and veteran publications are hit very hard by this bill. The committee bill provides for a 60-percent increase in the piece rate for nonprofit second-class mail, and the piece rate for in-county second-class mail. This would be catastrophic to many publications which survive on marginal revenues. In addition, the proposed increase is very discriminatory since the overall second-class rates will increase 20 percent and spread over a 3-year period.

Mr. LAUSCHE. Mr. President, I should like to ask a question of the Senator from Oklahoma.

Mr. MONRONEY. I am happy to yield to the Senator from Ohio.

Mr. LAUSCHE. I questioned the Senator from Oklahoma yesterday dealing with what the House did on this subject and what the Senate committee did. The Senator from Oklahoma answered that in cost coverage it has been 6.7 percent, that it will be 6.9 percent. The House bill provided for 11 percent cost coverage so that the Senate bill has reduced the cost coverage by 2 percent.

Is that a fact, I ask the Senator from Oklahoma?

Mr. MONRONEY. The reason for that is the House bill had two classes. We determined to have one class because it is hard to distinguish the money-raising type of solicitation from the Christmas seals.

Mr. LAUSCHE. On second class, on which we shall vote soon, we reduced the House figure by \$1.7 million on the second class. That is, the Senate version is more beneficial to the nonprofit user than the House version.

Mr. MONRONEY. That is correct.

Mr. LAUSCHE. I thank the Senator.

Mr. MONRONEY. Mr. President, briefly, up until 1962, county publishers of small country newspapers were entitled to mail free in the county. We raised that in 1962 to a small amount, at which time we acquired only a 13-percent cost coverage. In the new bill we raised it a little bit more and acquired 14-percent cost coverage. This is the very minimum because the loss this year was \$70.9 million. It will still be pretty high on editorial associations, especially those specializing in county newspapers who have supported the rate we have here. Therefore, I think it is quite proper that we divide the amendment, and that we defeat the amendment, because the very users of this service through their national organization have testified that they were satisfied with the rate the committee proposes here. Thus, I am ready to vote. This is an amendment that everyone can understand.

The PRESIDING OFFICER. All time has now expired under the first amendment, unless the Senator from Kansas has something to say, and then the Senate will vote on it.

So that the unanimous consent agreement may be thoroughly understood, the Chair informs the Senate that 20 minutes has been allotted to each part of the amendment, with 10 minutes to each side on the second amendment, and then 20 minutes, with 10 minutes to each side, on the third amendment.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. I thought we had only one amendment, and that there was a 1-hour time limitation on that amendment, with the time to be equally divided?

The PRESIDING OFFICER. Subsequently, the amendment was divided under a subsequent unanimous-consent agreement.

Mr. CARLSON. Mr. President, I yield myself 1 minute on the bill, if my time has expired on the amendment.

The VICE PRESIDENT. The Senator from Kansas is recognized for 1 minute.

Mr. CARLSON. Mr. President, the issue is simple. As stated before, we can increase the rate for second-class mail on profit organizations 23 percent. We can take the nonprofit group sending through the same mail at an increase of 60 percent. My amendment would bring it back to the same provisions of second-class mail.

The PRESIDING OFFICER. The question is on agreeing to the first part of the amendment of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE], are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Wyoming [Mr. MCGEE], and the Senator from Missouri [Mr. SYMINGTON], are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 44, nays 46, as follows:

[No. 358 Leg.]

YEAS—44

Alken	Fong	Mondale
Allott	Gruening	Morse
Bartlett	Hartke	Morton
Bayh	Hatfield	Moss
Bennett	Hill	Mundt
Boggs	Hruska	Murphy
Brewster	Inouye	Nelson
Brooke	Javits	Pearson
Cannon	Jordan, Idaho	Percy
Carlson	Kennedy, N.Y.	Prouty
Church	Kuchel	Proxmire
Curtis	Magnuson	Ribicoff
Dirksen	McCarthy	Sparkman
Dominick	McGovern	Young, N. Dak.
Fannin	Metcalf	

NAYS—46

Anderson	Hayden	Pell
Bible	Hickenlooper	Randolph
Burdick	Holland	Russell
Byrd, Va.	Hollings	Smathers
Byrd, W. Va.	Jackson	Smith
Case	Jordan, N.C.	Spong
Clark	Kennedy, Mass.	Stennis
Cotton	Lausche	Talmadge
Eastland	Long, Mo.	Thurmond
Ervin	Long, La.	Tydings
Fulbright	Mansfield	Williams, N.J.
Gore	McClellan	Williams, Del.
Griffin	Monroney	Yarborough
Hansen	Montoya	Young, Ohio
Harris	Muskie	
Hart	Pastore	

NOT VOTING—10

Baker	McGee	Symington
Cooper	McIntyre	Tower
Dodd	Miller	
Ellender	Scott	

So the first part of Mr. CARLSON's amendment was rejected.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the first part of the amendment was rejected.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. In accordance with the unanimous-consent agreement, the Senate will proceed to the consideration of item No. 2 of the amendment.

Who yields time?

Mr. CARLSON. Mr. President, I yield myself 3 minutes.

Mr. President, I do not think it will take long to discuss the second section of this amendment.

Mr. BYRD of West Virginia. Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order.

Under the unanimous-consent agreement, there are 20 minutes allotted to the consideration of this amendment, 10 minutes to a side. The Senator from Kansas is yielding himself 3 minutes.

The Senator may proceed.

Mr. CARLSON. Mr. President, I think most of the discussion was had on the previous question, which dealt with the first section of the amendment. I did not request a division on the amendment, but a division was requested, and we have voted on the first section.

The second section deals strictly with nonprofit organizations and their postage rate.

Mr. President, I have only this to say: On the profitmaking group, we have increased their cost 23 percent for second-class mail. On this group, it is sought to increase the rate 60 percent. I return to that point, because it is just that simple. It is my personal feeling that religious groups, civic organizations, veterans organizations, labor organizations, and others which have no interest in making profits—I have mentioned the Boy Scouts; I have here their Scouter, which is distributed to the people who work in the scouting movement, a nonprofit organization to which we all contribute. Yet this proposed increase would cost them \$86,000. I do not think we ought to ask individuals to make up that difference, when the Post Office Department is a public service organization.

That is all I have to say.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. CARLSON. I yield to the Senator from Indiana.

Mr. HARTKE. As the Senator from Kansas has indicated, most of the previous discussion dealt with this part of the amendment. Only a very negligible amount is here involved in the way of revenue, as compared to the total bill. In fact, the amount is so small I have not been able to find anyone who can state the actual amount of money involved; but the first portion of the amendment and the second portion, together, involve something around \$1 million.

How many permit holders there are in this category I suppose is also a matter of conjecture. It was my understanding that there were 275,000 who held the permits to permit them thus to communicate primarily with their own mem-

bership, which is practically their only means of doing so, unless they can afford to do it by first class mail.

I urge that the amendment be agreed to.

Mr. MONRONEY. Mr. President, I rise in opposition to part two of the Carlson amendment. We have been hearing about 60-percent increases, when actually all we are doing is raising from one-eighth to one-fifth of a cent per copy the cost of sending across the entire Nation these publications. This section of the bill deals strictly with second-class, nonprofit organizations. Under existing law, they pay 1½ cents per pound, but only one-eighth of a cent per copy minimum. That means we have to have a clerk receive the mail at the post office, throw it into the case, and dispatch it to the carrier who makes the long, weary route to every house, handling this mail, at one-eighth of a cent per copy.

Under the House bill, a new advertising rate schedule is applied for the first time in history, but the rate schedule is lower than the commercial rate schedule. The committee voted to make this rate schedule identical to the commercial rate schedule. If they are going to sell advertising in such publications, we feel they should pay the same rate on the percentage of the publication which is advertising matter that commercial publications pay; and we carry practically free of charge their editorial matter.

The bill takes care of very small church publications, leaflets and such matters, which occasionally have very small advertisements, by allowing an exemption of 10 percent of the space to be advertising, without having to become involved with all the reporting that would be required otherwise, for the many such publications which contain 10 percent or less advertising matter.

The additional revenue to be realized is \$4.5 million. That may not sound like much to the distinguished senior Senator from Indiana; but \$4.5 million, when we are seeking to make up a tremendous loss, is, I think, a step in the right direction; and I believe the increase is proper. The present loss on this class of mail is \$126.2 million. The present cost coverage is only 7 percent. When we pass this increase, it will rise to only 9 percent, if the committee bill is approved. The Carlson amendment would lower the minimum charge per item from one-fifth of a cent to one-sixth of a cent, and would restore the preferential low advertising schedule proposed by the House of Representatives.

Mr. President, that is as simple as I can make it. The loss exists. I believe everyone is treated fairly in the bill, and I hope our friends on the other side of the aisle, who advocate economy and revenue coverage so strongly, will ask themselves how much longer the Post Office Department should continue to carry publications that will yield only one-sixth of a cent, and find it objectionable to increase that figure to one-fifth of a cent per item.

Several Senators addressed the Chair.

Mr. MONRONEY. I yield first to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I am not sure how I shall vote on this matter; I

should like to propound a question or two so that I may better understand it.

Mr. MONRONEY. Yes, sir.

Mr. GRIFFIN. In defining what is a nonprofit organization that would qualify for this special subsidized rate, am I correct in assuming that a political party, or the campaign committee of a political candidate, would not be a nonprofit organization which would be entitled to the special rate we are talking about now?

Mr. MONRONEY. The answer to the question on political organizations is "No."

This class of mail includes publications of religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal organizations, as well as the publications of associations of rural electrification cooperatives and one publication by the official highway or development agency of any State.

Mr. GRIFFIN. If I may propose a further inquiry, if a labor organization sees fit to use its publication to extol the virtues of one candidate in a primary contest, and attack the qualifications of another candidate, does the labor organization thereby lose its special exemption under this law?

Mr. MONRONEY. I had the same experience, on the same end, that the Senator has in mind, when I first ran for the U.S. Senate.

Mr. GRIFFIN. No, I am merely asking the question.

Mr. MONRONEY. I know what the Senator means. This is what we call a throw-away, that has no paid circulation, a publication that circulates all over the State at a very low second-class rate.

Mr. GRIFFIN. Am I to take it, then, that the answer is that the labor organization does not lose its special exemption, that it gets the subsidy regardless of how partisan it is?

Mr. MONRONEY. I am afraid that is correct.

Mr. GRIFFIN. And the other candidate, whether he be an opponent of the same party in the primary, or of the opposite political party in the general election, will have to pay a higher rate in order to answer the charges circulated against him at the subsidized rate; is that correct?

Mr. MONRONEY. He would probably have to buy advertising in a regular, profitmaking, second-class publication. That runs a good deal higher, although there are some advantages, one being the demonstration copies that the paper, if it has not used up its allotment, can use in a political campaign for a mug patch, and all that kind of thing.

The bill would barely raise the rate on the class of publications we are talking about, and I think it is time to start. Fifteen-hundredths of a cent is not enough for such publications to pay, and I think it is high time we voted to raise it.

I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Senator from Michigan developed the extraordinary privilege granted to the alleged nonprofit organizations such as a labor magazine. The answer is that that magazine can use its publication politi-

cally and obtain the low postal rates provided for nonprofit organizations.

My question is whether any nonprofit organization—whether religious, philanthropic, labor, or otherwise—can use its magazine or periodical politically and still enjoy this very low rate provided in the pending bill?

Mr. MONRONEY. Mr. President, this is a matter that we would have to take up with the Postmaster General and have hearings on. We come to the very delicate area involving the first amendment and freedom of the press when we decide what can and cannot be carried in the mail. If it is advertising—and it must be identified as advertising—it would then carry a separate rate. However, I do not know how to approach the question concerning news material that might be said to be slanted for this or that party.

Mr. LAUSCHE. I take it that the answer of the Senator from Oklahoma is that if it is declared to be nonadvertising material, the nonprofit organization issuing the periodical or magazine can attack a Senator or a Representative without limitation and still enjoy this low rate.

Mr. MONRONEY. The Senator is exactly right.

Mr. LAUSCHE. So that the Senator from State X, if he were attacked by a labor paper and if he wanted to answer that attack, would have to pay the normal rate while the labor magazine would enjoy the benefit of this low rate on its postal service.

Mr. MONRONEY. Or he might acquire a low rate from another labor paper on the other side of the question or from a right-to-work organization. So it all washes out.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. YARBOROUGH. Mr. President, I ask the distinguished Senator from Oklahoma if the slightly higher rate contained in the committee bill is retained, what percentage of the cost of carrying this type of mail will be borne by the Government or the taxpayers?

Mr. MONRONEY. Ninety-three percent of the cost will be borne by the Government and 7 percent by the publisher under existing rates. If the committee amendment prevails, 91 percent will be borne by the Government and 9 percent by the publication.

Mr. YARBOROUGH. If the committee amendment prevails, the Government or the people will still be paying 91 percent of the cost?

Mr. MONRONEY. The Senator is exactly correct.

Mr. YARBOROUGH. What amount of money will the carrying of this kind of nonprofit mail cost the Government?

Mr. MONRONEY. The present annual loss to the Government is \$126.2 million. And the present cost to the publishers of such publications is 7 percent. It would be raised to 9 percent, and we would still be losing more than \$120 million.

Mr. YARBOROUGH. We would still be losing more than \$100 million on this kind of mail?

Mr. MONRONEY. The Senator is correct.

Mr. CARLSON. Mr. President, I yield myself 1 minute.

The VICE PRESIDENT. The Senator from Kansas is recognized for 1 minute.

Mr. CARLSON. Mr. President, there has been a great deal of discussion about the contents of these articles and papers that are published by nonprofit organizations—religious organizations, boys scouts, and many other types of organizations.

If the publication contains advertising material in excess of 10 percent, under the pending bill they have to pay the advertising rate.

It gets to be a serious question as to whether we should try to limit an organization and tell a church, a veterans' organization, or whatever the organization is, what they should put in the paper. That is their privilege under the Constitution.

I sincerely hope that we will keep that in mind. We increase the rate for the second-class profit group of this country 23 percent. And this nonprofit group gets a 60-percent increase.

I think that is an excessive increase. It should not be any higher than the rate paid by the profit group.

Mr. President, I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time having expired, the question is on agreeing to the second part of the amendment of the Senator from Kansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Wyoming [Mr. MCGEE], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 52, nays 38, as follows:

[No. 359 Leg.]

YEAS—52

Alken
Allott
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Brooke
Cannon
Carlson

Church
Clark
Curtis
Dirksen
Dominick
Fannin
Fong
Fulbright
Gruening
Hartke
Hatfield

Hill
Hruska
Inouye
Jackson
Javits
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Long, Mo.
Magnuson
McCarthy

McClellan
McGovern
Metcalf
Mondale
Morse
Morton
Moss

Mundt
Murphy
Nelson
Pastore
Pearson
Percy
Prouty

Proxmire
Ribicoff
Sparkman
Tydings
Young, N. Dak.

NAYS—38

Anderson
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Cotton
Eastland
Ervin
Gore
Griffin
Hansen
Harris
Hart

Hayden
Hickenlooper
Holland
Hollings
Jordan, N.C.
Kennedy, Mass.
Lausche
Long, La.
Mansfield
Monroney
Montoya
Muskie
Pell

Randolph
Russell
Smathers
Smith
Spong
Stennis
Talmadge
Thurmond
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

NOT VOTING—10

Baker
Cooper
Dodd
Ellender

McGee
McIntyre
Miller
Scott

Symington
Tower

So the second part of Mr. CARLSON's amendment was agreed to.

Mr. CARLSON. Mr. President, I move to reconsider the vote by which the second part of the amendment was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CARLSON. Mr. President, I am advised by the staff of the Committee on Post Office and Civil Service that a technical change should be made in the amendment that has just been approved.

I ask unanimous consent that the staff be permitted to make the necessary technical changes.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. CARLSON. Mr. President, my understanding is that the third section of the pending amendment is now up for debate.

The PRESIDING OFFICER. The Senator is correct.

Mr. CARLSON. Mr. President, I do not expect to take much time on this amendment. I believe the issues are well known to every member of the committee. We had considerable debate and discussion on it in the executive sessions of our committee. In fact, we had several 6-to-6 votes on it.

I wish to comment briefly on the merits of the type of mailing involved and what the pending amendment proposes to do.

Under the pending bill reported by the committee, the first year figure for third-class mail is listed as 3.6 percent, and the second year and thereafter as 4 percent. The amendment I offer would make one change. The figure for the first year would be the same, 3.6. The second year and thereafter, it would be 3.8, which is the figure contained in the House bill. The Senate increased the 3.8 to 4. My amendment, if approved, with a 2-phase stepup of 3.6 and 3.8, would reduce the revenue \$28 million.

We will hear much discussion about a few large mailers in this country. We probably will hear about 13 or 15 great organizations that are abusing our mails by filling them with third-class mail.

There are 275,000 third-class mailing permits in the United States. Every State has a large number of them, and they are owned by diverse groups, such as the Boy Scouts, Dr. Billy Graham, every charitable organization in the land, every corporation, every State government—the entire spectrum of our social and political life. Each Senator will find, if he checks into the matter, that many of these permits are issued to organizations in his State. We will hear much discussion about this mail being distributed by a few large corporations and organizations. This was brought out yesterday.

Let us consider the mailing permits in Emporia, Kans., a city of 15,000 or 20,000 people. The first one on the list is the Salvation Army, the second one is the Veterans of Foreign Wars, the third is the Gowther Junior High School, and on down the list. Also, the city of Emporia, the American Legion, the United Christian Fellowship, Girl Scout Council, First Baptist Church, First Methodist Church, the Messiah Lutheran Church.

So when we hear a great deal of discussion about third-class mail being used by only a few large mailers, Senators should keep in mind that in their own communities, in every city in the Nation, charitable organizations use this mail in many instances to get messages to their members and to raise revenue.

Many people do not realize that the U.S. Government itself is the largest user of third-class mail in the Nation.

And judging from the samplings I have seen, some of the largest users of third-class mail are those very people who attack it the most.

Mr. President, third-class mail is the small merchant's medium for advertising. The small businessman in our communities cannot buy a page in *Life* magazine or *Look* magazine, but he can use third-class mail. Many businesses and many stores have been built upon third-class mail. Ordinarily, the small merchant is the person who uses third-class mail. It is a medium which he can afford. It permits him to pinpoint his market and direct his message only to those most likely to respond to it.

Obviously, the small merchant cannot afford to buy space in a large metropolitan daily or to buy time on a major television station. And if he could afford it, he would be wasting his money if he did use these media.

Third-class mail is an advertising tool he needs and should have. If we were to take that tool away from him we would virtually be driving the small businessman out of his store and limiting the merchandising field to the huge chain stores which can afford big league advertising.

The small independent merchant is having a tough enough time as it is. Let us not drive him to the wall by making his most effective means of advertising inaccessible to him.

Then there is the rather foolish charge that third-class mail is a useless medium of advertising—it is a waste of the advertiser's money—it just clutters up the mails and accomplishes nothing.

Look at the growth figures for this type of mail. They tell the story of its effectiveness.

Bulk mail—third class—was created by the Congress in 1928 in response to a request from—not the advertising people of the United States, but from the Post Office Department itself. The Department needed something in the way of low-priority mail material to keep the work force occupied between peak hours.

By 1946, the volume in this type of mail had risen to 4 billion pieces a year. In the succeeding 21 years—despite severe rate raises—and despite the constant attacks of its critics—it has grown 500 percent, up to 20 billion pieces a year—and it is still growing—still performing a service for the Post Office—for the people—for the economy and for the people who use it.

Mr. President, it would serve no useful purpose for me to discuss the matter at great length. The issue is simple. I would not reduce the rate substantially but from 4 cents to 3.8 cents, which is the House preference.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. HARTKE. Is it not true that there are hundreds of thousands of handicapped workers employed in third-class mail businesses?

Mr. CARLSON. The Senator is correct.

Mr. HARTKE. There are 4.5 million persons who depend on third-class mail for their livelihood.

Is it not true that this mail has deferved treatment?

Mr. CARLSON. The Senator is correct.

Mr. HARTKE. We are not changing the priority because it is going at a lower rate.

Mr. CARLSON. It is handled by the Post Office Department after first-class mail and second-class mail is taken care of.

Mr. HARTKE. They take care of this mail in slack periods and it is said that it sometimes takes 18 days for third-class mail to go from Washington, D.C., to the west coast. Is that correct?

Mr. CARLSON. The Senator is correct.

Mr. HARTKE. I join the Senator from Kansas. I hope this minor adjustment in the bill can be achieved.

Mr. CARLSON. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. AIKEN. Does the amendment of the Senator apply to seed catalogs?

Mr. CARLSON. It would apply to that type business. Yes, it could.

Mr. AIKEN. What about advertising material which is mailed in such enormous quantities by being slipped inside of a newspaper?

Mr. CARLSON. That is not covered in this amendment, but we did not remove that.

Mr. AIKEN. It seems to me that is about the biggest loss of revenue that the Post Office sustains when they drop from 18 cents to 3 cents a pound.

Mr. CARLSON. The committee did not change that. We left it to be handled by the Post Office administratively.

Mr. AIKEN. We will continue to get the Sears, Roebuck catalog. Sears, Roebuck is one of the biggest advertisers using that class. I am not complaining about it, but I am wondering if there will be any change in rate.

Mr. CARLSON. There will not be.

Mr. AIKEN. And they get the same rate as local newspapers?

Mr. CARLSON. Inserts are left as they are at the present time.

Mr. AIKEN. That is supposed to drum up business, I guess.

Mr. MONRONEY. Mr. President, this is the junk mail amendment. Of all the classes of mail we had to consider, I think that the lobbyists for the junk mail have been the most active and the most insistent in trying to bring pressure from every known pressure point. Their type lobbying and the morality of their lobbying, I think, leaves one of the blackest marks on the lobby echelon of any national trade association.

The amendment here would cut \$30 million from the bill. It would reduce new revenue by not making these purely advertising projects carry a little more toward the cost of handling. It would reduce the revenue in the Senate bill from \$264 million a year by \$30 million a year.

This is in the face of the fact that already we are giving them a very unusually low rate and their cost coverage of third-class mail today is 61 percent. With the amendments in the bill it would be 75 percent. The amendment we vote on would probably cut it to around 70 percent of cost coverage.

This is a matter which I think disturbs many Members of Congress. I receive in the mail complaints about unwanted mail, unwelcome and nuisance junk mail.

The matter of third-class mail is not a matter that is going to penalize anybody because the men fighting for the highly subsidized rate do not pay the postage. The advertisers pay the postage and because postage is going up the lobbyists feel they may lose a few of the smaller mailings. All of their costs have gone up on paper and ink, and other costs of publication, and they want to keep the rates frozen and not raise them. It seems to me that this is a distinct subsidy for those people who are able to pay a proportionate part of their cost.

Thirteen of the permit holders for this junk mail distribute each year 7 billion pieces of mail, against 82 billion pieces of mail for the total mailing of all of the United States and its Territories. It seems to me that we cannot feel that they are doing so badly. It seems to me that it is wrong for General Motors to be able to pay 4 cents to mail a stockholder's report to stockholders while it would cost anybody else 6 cents to send a letter from here to Los Angeles first class. We should raise the rate and we have not raised the rate in a way that would be harmful.

I was in favor of going to a straight 4-cent minimum. That rate would be cheap enough. My dear friend from South Carolina [Mr. HOLLINGS] wanted to raise the rate to 4.5 cents. That would have been fair enough. We discussed this

section longer than we discussed any other section in committee. The distinguished senior Senator from Wyoming [Mr. McGEE] proposed 4.2 cents as a single-step increase. I greatly admire his courage and leadership in this matter.

Finally, the Senator from West Virginia [Mr. RANDOLPH] came up with the proposal to raise the present rate from 2.87 cents, which is the figure they now pay, to 3.6 cents for the first year and 4 cents for the second year. The House bill made the 3.8 cents effective immediately. I wanted a straight 4 cents effective immediately.

With the persuasion of the Senator from West Virginia [Mr. RANDOLPH] and the desire not to be injurious to anyone, we agreed to phase this for 2 years and to take .2 cents less than the House bill the first year but going .2 cents over and above the House so that we would reach a 4-cent minimum. This is a fair rate.

We had a close, hard fight in the committee and many votes of this issue. It was due to the diligence, the patience, and the efforts of the Senator from West Virginia that we were able to reach agreement. He proposed the key idea which enabled the committee to arrive at a fair compromise—one which allows an adjustment period for the mail user and raises more revenue for the Department. I am grateful to the Senator from West Virginia for his assistance and good judgment on this matter.

I do not recall how many lobbyists there were for General Motors, or how many there were for Procter & Gamble, those poor boys in Ohio, who came in and shed tears all over the carpet as to how hard this would hit Procter & Gamble.

Mr. President, I think the Senate is ready to vote. I wish to be realistic about the matter. I certainly feel we should eliminate the annual loss of \$342 million. By this new bill we will be able to materially reduce this by bringing in \$264 million in additional revenue.

Mr. President, I urge the defeat of the amendment of the Senator from Kansas.

The PRESIDING OFFICER. Do Senators yield back their time?

Who yields back time?

Mr. MONRONEY. I yield such time as he may need to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, in the hope that I shall please Members of the Senate at this late hour by speaking very, very briefly, rather than for several minutes, I trust that the amendment offered by the Senator from Kansas [Mr. CARLSON], the very able ranking minority member of our committee, a man with whom I am delighted to serve, and supported equally by the distinguished Senator from Indiana [Mr. HARTKE] will be defeated.

The Post Office and Civil Service Committee members considered my proposal, and the provisions I offered there for a fair determination for increasing the revenue from this class of mail, over the House action, should commend itself to my Senate colleagues. I know so well of their fairness and justice as legislators.

I could join the knowledgeable chairman of our committee [Mr. MONRONEY]

in further discussion of this important matter. I shall not do so. I shall stop now, expressing the hope that the amendment will be defeated by a decisive vote.

Mr. CARLSON. Mr. President, everyone understands the issue: to increase the third-class rates, which I think are excessive in the context of the other increases we voted in the bill. It will cost \$28 million. I would be less than frank if I did not say that. But in view of the choice of companies the Senator from Oklahoma used, whereas I mentioned a large number of organizations at the beginning of my preliminary statement, let me say that we heard a great deal about the 13 organizations and Procter & Gamble, but we did not hear anything about the First Baptist Church, the American Legion, or the other worthy organizations who use this type of mail to send out messages of importance.

Mr. AIKEN. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I yield.

Mr. AIKEN. Would the Senator tell us how much his amendment would reduce the revenue?

Mr. CARLSON. Twenty-eight million dollars.

Mr. AIKEN. How much?

Mr. CARLSON. Twenty-eight million dollars.

Mr. MONRONEY. The committee figures it at \$30 million.

Mr. AIKEN. That would run the war in Vietnam for about 9 hours, would it not?

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

Mr. CARLSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back. The question is on agreeing to the third section of the amendment offered by the Senator from Kansas [Mr. CARLSON].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD] and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Texas [Mr. TOWER] would vote "yea."

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from Tennessee [Mr. BAKER]. If present and voting, the Senator from Iowa would vote "yea" and the Senator from Tennessee would vote "nay."

The result was announced—yeas 27, nays 64, as follows:

[No. 360 Leg.]

YEAS—27

Aiken	Curtis	Jordan, Idaho
Bayh	Dirksen	Kuchel
Bennett	Fannin	McCarthy
Boggs	Fong	Morton
Brewster	Hartke	Nelson
Brooke	Hickenlooper	Pearson
Carlson	Hruska	Percy
Clark	Inouye	Prouty
Cotton	Jordan, N.C.	Sparkman

NAYS—64

Allott	Hill	Murphy
Anderson	Holland	Muskie
Bartlett	Hollings	Pastore
Bible	Jackson	Pell
Burdick	Javits	Proxmire
Byrd, Va.	Kennedy, Mass.	Randolph
Byrd, W. Va.	Kennedy, N.Y.	Ribicoff
Cannon	Lausche	Russell
Case	Long, Mo.	Smathers
Church	Long, La.	Smith
Dominick	Magnuson	Spong
Eastland	Mansfield	Stennis
Ervin	McClellan	Talmadge
Fulbright	McGee	Thurmond
Gore	McGovern	Tydings
Griffin	Metcalf	Williams, N.J.
Gruening	Mondale	Williams, Del.
Hansen	Monroney	Yarborough
Harris	Montoya	Young, N. Dak.
Hart	Morse	Young, Ohio
Hatfield	Moss	
Hayden	Mundt	

NOT VOTING—9

Baker	Ellender	Scott
Cooper	McIntyre	Symington
Dodd	Miller	Tower

So the third section of Mr. CARLSON's amendment was rejected.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the third section of the amendment was defeated.

Mr. MONRONEY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 469

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment No. 469.

The PRESIDING OFFICER. The amendments offered by the Senator from Delaware will be stated.

The legislative clerk proceeded to read the amendments.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with, and that they be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 143, between lines 6 and 7, insert the following:

"SEC. 225. (a) During any period in which the aggregate number of full-time civilian officers and employees (including the full-time equivalent of part-time employment) in the executive branch of the Government exceeds the aggregate number employed on July 1, 1966, no vacancy in any office or position in any department or agency in the executive branch of the Government resulting from the resignation, retirement, transfer, removal, or death of the incumbent of such office or position shall be filled, except pursuant to a determination of the Director of the Bureau of the Budget (hereinafter referred to as the 'Director') under subsection (b).

"(b) The Director shall make continuing studies of the personnel needs of the various departments and agencies of the Government during any period referred to in subsection (a), and shall determine which of the vacancies occurring in such departments and agencies may be filled. Such determinations

shall be so made that the aggregate number of vacancies filled during any calendar quarter, beginning with the quarter ending March 31, 1968, in the executive branch of the Government, shall not exceed 25 per centum of the aggregate number of vacancies occurring during such quarter. The determinations of the Director under this subsection shall be made on the basis of the relative needs of the various departments and agencies for personnel, having in mind the importance to the national health, security, and welfare of their respective functions and activities. Such determinations may be made by such appropriation units or organization units as the Director may deem appropriate.

"(c) The Director shall maintain a continuous study of all appropriations and contract authorizations in relation to personnel employed and shall reserve from expenditure the savings in salaries and wages resulting from the operation of this section, and any savings in other categories of expense which he determines will result from such operation.

"(d) The departments and agencies in the executive branch shall submit to the Director such information as may be necessary to enable him to carry out his functions under this section.

"(e) The Director shall submit to the Senate and the House of Representatives at the end of each calendar quarter, beginning with the quarter ending March 31, 1968, a report of his activities under this section.

"(f) This section shall not apply to officers and employees in the Department of Defense, the postal field service, and the Federal Bureau of Investigation, to casual employees, as defined by the Director, to employees employed without compensation, to offices filled by appointment by the President by and with the advice and consent of the Senate, or to offices or positions filled by transfer from another position within the same or another department or agency, except that such employees, offices, and positions shall be taken into consideration in determining the aggregate number of officers and employees for the purposes of subsection (a).

"(g) Nothing in this section shall supersede or modify the reemployment rights of any person under section 9 of the Military Selective Service Act of 1967, or any other provision of law conferring reemployment rights upon persons who have performed active duty in the Armed Forces."

On page 135, after line 25, insert the following:

"(5) Section 225 shall take effect on January 1, 1968."

PERSONAL STATEMENT OF SENATOR YOUNG OF NORTH DAKOTA

Mr. WILLIAMS of Delaware. Mr. President, I yield 1 minute to the Senator from North Dakota [Mr. Young].

Mr. YOUNG of North Dakota. Mr. President, like most Members of the Senate, I thought Congress would adjourn before December 1. As a result, I accepted an invitation of long standing to speak at the annual convention of the Oregon Wheat Growers League tomorrow morning in Portland. This means I shall have to leave before the final vote is had on this postal-pay raise bill.

If I could be present for that vote, I would vote "yea." In checking with many Members of the Senate, it appears the bill will pass with a big majority without my vote, and that my vote will not be needed.

Mr. WILLIAMS of Delaware. Mr. President, the purpose of this amendment is to write into law the Executive order of President Johnson as issued September

20, 1966. On September 20, 1966, President Johnson issued an Executive order freezing Federal civilian employment at the July 1, 1966, level.

In that order he made certain exemptions as they would relate to the Defense Department and the Post Office Department. Subsequently he mentioned an exemption for the FBI.

This amendment is drafted to carry out the purpose and the objective of that Executive order, with the same exemptions as were embraced in President Johnson's original freeze order.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. I would like to raise the question, in harmony with the rest of the exemptions, as to whether we should not include the Central Intelligence Agency as well, because, with the exception of the Post Office, whose burden of work must be carried out and which must have an appropriate number of employees to get through its work, all other exemptions deal with the security of the country, either externally or internally. It seems to me the Central Intelligence Agency would fit neatly the package of other exemptions.

Mr. WILLIAMS of Delaware. The reason the CIA was not included is that it was not included in the President's original Executive order. I assume the President had taken that into consideration and saw no need for the exemption. However, since the Senator from South Dakota and other Senators mentioned it to me yesterday, I am advised that whether that Agency is in or out would make no difference whatever because, as I understand it, the Agency has not increased the number of its employees. So, while I see no real purpose in putting it in there would be no harm and nothing would be lost by including the Agency.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. Due to the uneasy situation around the world, it is impossible for the CIA to make a calculation of what its burdens are going to be. I wonder if the Senator would be willing to accept an amendment, at the end of line 13, on page 3, after the comma, to add the words "the Central Intelligence Agency," and then continue as it is.

Mr. WILLIAMS of Delaware. The Senator from South Dakota [Mr. MUNDT] and the Senator from Washington [Mr. Jackson] have expressed concern, and even though, as I mentioned earlier, I do not think it is necessary, I do not see any harm to have the agency included. If it is going to make the two Senators feel better I would be willing to accept such an amendment.

Mr. MUNDT. I wish the Senator would. It could be a wise precaution. It may not be necessary, but it is better to be on the side of prudence.

Mr. WILLIAMS of Delaware. Very well.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JACKSON. I concur in the remarks of the able Senator from South

Dakota. I would hope the Senator will modify the amendment to exclude the Central Intelligence Agency.

Mr. WILLIAMS of Delaware. Mr. President, I so modify the amendment. On page 13, after the end—

Mr. MUNDT. To include that Agency among the exclusions.

Mr. JACKSON. Yes, to include it in that list.

Mr. WILLIAMS of Delaware. I modify the amendment on page 3, line 13, to add the Central Intelligence Agency with the other exclusions.

The PRESIDING OFFICER. The Senator has that right, and the modification is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that President Johnson's Executive order of September 20, 1966, be printed in the RECORD at this point.

There being no objection, the Executive order was ordered to be printed in RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,

Washington, D.C., September 20, 1966.

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

Subject: Fiscal year 1967 employment ceilings.

1. The President has directed that the head of each agency take necessary steps to:

a. Hold employment in *full-time permanent positions* for the remainder of fiscal 1967 to a level at or below that prevailing as of July 31, 1966. (Those agencies whose employment is already above the July 31, 1966, figure should reduce their employment to the July 31 level as expeditiously as possible by not filling vacancies.)

b. Hold employment in *temporary, part-time, or intermittent positions* for the remainder of fiscal 1967 to a level at or below that prevailing as of June 30, 1966, except for meeting normal seasonal changes in agency workloads. In no event should such employment on June 30, 1967, exceed that on June 30, 1966.

2. These actions are an essential part of President Johnson's efforts to reduce Federal expenditures.

3. Each agency head should make every effort to achieve the lowest possible level of employment. We must increase our productivity level of employment. We must increase our productivity, redeploy our personnel, simplify our procedures and strip work to essentials in order to meet the employment ceilings established by this memorandum.

4. In view of the personnel requirements involved in the Viet Nam conflict, the Department of Defense and the Selective Service System are specifically exempt from paragraph 1 of this memorandum. For these two agencies, employment ceilings heretofore in effect will remain in effect subject to adjustment during review of the 1968 budget.

5. In the case of the Post Office, the June 30, 1967, employment ceiling established in the January budget review will remain in effect.

6. Requests for exception to the levels established by this memorandum will be presented to the Director of the Bureau of the Budget by the agency head under the following circumstances only:

a. When the need for employment increases can be related directly to requirements for Southeast Asia, or

b. When employment increases are needed for new programs which were not in existence on July 31, 1966, and for which appro-

priations or other funds have been provided and have been apportioned by the Bureau of the Budget, or

c. When employment increases are needed for emergency situations involving the protection of life, property, or the national security, or

d. When transfers of functions from one agency to another or from headquarters to the field result in a need to adjust employment levels.

In any of the above cases, *exceptions will not be requested* until the agency head has determined that it is clearly not possible to meet the required employment needs by re-deploying personnel from other areas so as to remain under the employment level established by this memorandum. *Exceptions will not be granted* unless agencies clearly demonstrate that such shifts have been evaluated and that they are not feasible.

CHARLES L. SCHULTZE,

Director.

Mr. WILLIAMS of Delaware. Mr. President, as I stated earlier, this amendment would merely write into law the executive order as promulgated by President Johnson on that date.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, I reserve the remainder of my time.

Mr. MONRONEY. Mr. President, I yield myself 5 minutes. I believe 5 minutes is sufficient for Senators to understand both sides of the question.

This proposal is a meat-ax cut, coming after the Appropriations Committee of the Senate, led by our great chairman, the Senator from Arizona [Mr. HAYDEN], has managed to reduce by \$5 billion, so far this year, the total appropriations that we have made.

I say that \$5 billion is a good, substantial cut, and was not easy to arrive at. So I surrender to no one when it comes to trying to reduce Government expenses.

I wish to see the total number of employees reduced as much as possible; but I do not believe we can roll back the ceiling to July 1966, and say "This will be your employment ceiling, and you are to reach it by attrition, not hiring replacements for those who quit or take other jobs," because there are certain agencies, certain demands, and dozens of programs that have been created by our own legislation which the agencies are required to staff.

I might mention a few that have not been considered, which would have exactly zero employees if the ceiling the distinguished Senator from Delaware proposes were imposed. One such is the great Department of Transportation, which was created only last year. Its operations, today, include all of the FAA, which employs some tens of thousands of very skilled, able, and competent personnel.

With the increasing air traffic today, I personally know of the desperate condition we are getting into, to find adequate air traffic controllers, weather experts, mechanical investigators, and safety inspectors of all kinds. The Senator's amendment would not give them any ceiling whatever, because the Department of Transportation is an entirely new organization, and there is

nothing in the amendment, as I read it, that would transfer whatever ceiling the FAA had to the Department.

This is a kind of meat ax, quick-on-the-trigger proposal, which says, in effect, "Let us do it and get it over with."

We shall continue to cut expenses, of course, but let us try to do so without having to cut into such programs as medicare, for which people must be recruited to staff the medical programs we have instituted since July 1966.

The Veterans' Administration must face the burden of the tremendous load of the 125,000 men, who have thus far been wounded in Vietnam, who will initially be treated, of course, in Government and military hospitals, but at some point they will have to be transferred to civilian hospitals. The amputees and the handicapped must be cared for on a long-term basis, in addition to those who continue to come in.

The GAO—with the rocketing of our procurement of military hardware, we know from past experience how difficult it is to keep track of the gypping, the defrauding, and the padding of costs in this vast \$75 billion military affairs enterprise for which we are appropriating the funds—would also be rolled back, if attrition occurs, to their July 1966 level.

We have passed, in the last year and the year before, which would not be under this ceiling, the greatest educational program of assistance to the school districts of America and to the poverty-stricken areas of America ever instituted, which will involve the expenditure of billions of dollars. Yet this amendment, because the program did not exist before in HEW, and did not have a personnel ceiling as of July 1, 1966, would require that anybody who quits could not be replaced, because the ceiling is so low.

Mr. President, I just jotted these items down in 2 minutes, after I heard the amendment read. To agree to an amendment such as this would get us into a meat-ax type of operation, which has no place here. There is a place for it on appropriation bills. There is a place for it in a separate resolution, if the Senator will spend more time with his proposal, work the flaws out of it, and bring it to the floor.

The distinguished Senator from Delaware has offered seven or eight amendments, I think, thus far. I cannot understand why he does not come before the committee and give us a chance to study these matters. That is why we had open hearings. The Senator would have been most welcome.

But on not one of his amendments did the Senator from Delaware come before the committee to explain what he sought to do. Instead, we must face them on the floor of the Senate, and, in 15 or 20 minutes, are asked to revolutionize the entire operation of the Government by rolling back to July 1966, without knowing what agencies will be affected. We just had the CIA added on the floor.

My fellow Senators, if we wish to roll back the ceiling, let us do it with a surgeon's scalpel, and not with a meat ax. I urge that the amendment be rejected.

Mr. WILLIAMS of Delaware. Mr. President—

The PRESIDING OFFICER. How much time does the Senator from Delaware yield himself?

Mr. WILLIAMS of Delaware. I yield myself 4 minutes.

The Senator from Oklahoma has expressed concern because these amendments were not first considered by his committee. I, too, am concerned that they were not. I call his attention to the fact that four of the amendments I have offered here today were submitted to his committee, and I thought they would be considered by the committee. I suggest that if they did not consider them that is not my fault; it is their fault.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MONRONEY. Did the Senator ask for a minute of time to come by and explain them to the committee? Are we supposed to salute and obey if we receive a letter?

We would like to have the author, if he wants an amendment considered, explain it to the committee. During my 17 years in the Senate, that is a courtesy I have come to think proper, and to expect of the author of an amendment. But apparently the Senator thinks just a letter, or sending a copy of the amendment, is all that is necessary.

Mr. WILLIAMS of Delaware. Mr. President, the amendments were before the committee. I had the greatest sponsor of them all, the President of the United States. This was President Johnson's proposal, and he is a member of the same political party as the chairman of the committee. Certainly they are not telling me that no Democratic member of the committee read the President's Executive order of September 20, 1966, which was printed in detail in every newspaper in the country.

Copies of his Executive order were sent to the committee. Am I now being told that this so-called Presidential freeze order on civilian employment in the Government was not even read by committee members?

President Johnson made a solemn promise in that statement to roll back Federal employment to the level of July 1, 1966. As a matter of fact, he has made a series of such promises. Let us review the record. I ask unanimous consent to have printed in the RECORD an editorial published in a Camden, N.J., newspaper on December 30, 1963, wherein President Johnson was quoted at that time as stating:

There will be fewer Federal employees in 1964 than in 1963, President Johnson promises.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JOHNSON'S FEDERAL JOB CUT ORDER

There will be fewer Federal employees in 1964 than in 1963, President Johnson promises.

The promise is definite and explicit though the President does not yet say and doubtless does not know how large the reduction will be. It is a part of his general economy program and budget-cutting drive.

Johnson discloses that in the last three years Federal employment has increased by

131,000 jobs. He notes that it has been a decade since it showed a decline.

In an order to all heads of departments and agencies, the President says the budget director will shortly notify them of maximum employment levels they must enforce for the fiscal years of 1964 and 1965. He tells them to make personal examinations of the job situation and to "establish new end-of-year targets" below the budget director's figures. He emphasizes that these figures are ceilings, not goals. Once he approves the department heads' new targets, they are not to be exceeded without his specific approval.

Coupled with the reduction in jobs, Johnson tells the executives to turn their attention to "tighter management, redeployment of personnel, simplification of procedures, and stripping work to essentials." In other words, to getting more work out of jobholders.

And he orders quarterly reports to him, beginning April 1, "on what you have accomplished under this effort."

The order follows earlier actions toward governmental economy initiated by the President, including the Defense Department's decisions to curtail the number of U.S. military bases and to scrap the Dyna-Soar spacecraft project. It is known that he has other programs in mind, including our administration of foreign aid.

It is refreshing to see a President so economy-minded and acting personally to give the taxpayers more value for their dollar, and particularly his effort to get more value out of their salary dollar from Federal employees, whose jobs in many instances involve duplication of work, featherbedding and goldbricking.

Many people have the impression—justified or not—that as a party the Democrats are less interested in governmental economy than the Republicans. President Johnson seems to be moving energetically to erase that impression.

In doing so he takes considerable wind out of the sails of the Republicans, who have been planning to make governmental economy an issue in 1964.

After announcing his job reduction order to an informal press conference at his Texas ranch, the President was asked by one reporter, "How big is the total reduction to be in Federal employment?"

Replying that he could not yet give specific figures, Johnson asked, "Isn't it just enough that we cut it? You don't know how hard that was."

But anyone familiar with government and politics has a good idea of how hard it must have been, and will agree that even a small cut will reverse an alarming long-term trend and will be better than none.

Mr. WILLIAMS of Delaware. Mr. President, what a promise. But what happened? The number of employees crept higher. Then in December of 1965, speaking from Texas, President Johnson issued another Executive order. Again he expressed his great concern over the large number of Federal employees and said that he was going to cut the number by 25,000 during that fiscal year.

I ask unanimous consent that the article concerning that interview as published in the New York Times be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 2, 1965]
PRESIDENT BACKS A CUT IN U.S. JOBS—APPROVES PLAN TO RETIRE 25,000—SPENDS QUIET DAY

AUSTIN, TEX., December 1.—President Johnson approved this afternoon a plan that could eliminate 25,000 Government jobs.

The plan, contained in a memorandum from the Budget Bureau and released here, instructs the heads of Government departments and agencies to reduce their employment by 1 to 1.25 per cent by the end of the fiscal year 1966, which ends next June 30.

Joseph Laitin, assistant White House press secretary said the plan did not mean that present employees would be dismissed. It is designed, he said, to take advantage of stepped-up retirement from Government jobs.

These retirements have been increasing because of a new law offering certain inducements, including larger pensions, to employees who retire before the first of the year.

"The vacancies thus created," the memorandum said, "present an opportunity to take new specific action to carry out the President's long-standing instructions to hold Federal employment at the minimum necessary to carry out Government operations effectively."

The President spent a quiet day at his ranch studying reports and preparing for a meeting tomorrow with Secretary of Agriculture Orville L. Freeman and Secretary of State Dean Rusk.

The main topic at the meeting is expected to be the world food situation and Mr. Johnson's forthcoming talk with President Mohammad Ayub Khan of Pakistan.

Mr. Rusk is expected to join Mr. Johnson and Defense Secretary Robert S. McNamara for a discussion of world problems this weekend or early next week. The White House announced yesterday that this meeting would be held tomorrow or Friday. However, officials explained today that administrative work at the Pentagon would keep Mr. McNamara in Washington longer than expected.

The President also spoke by telephone with his special assistant for national security affairs, Mr. McGeorge Bundy. Mr. Laitin, in response to a question, said that the subject of Mr. Bundy's future had not been discussed and that, to the best of his knowledge, the two men had never discussed it. Mr. Bundy has been offered a post as head of the Ford Foundation.

Mr. WILLIAMS of Delaware. Mr. President, after that second historic statement in December of 1965, promising to cut back the number of Federal employees by 25,000, we find that by the following July 1, instead of cutting the payroll, the President had added 187,506 employees. These 187,000 employees are costing the taxpayers over \$1.5 billion annually.

In September 1966, a couple of months before the election, the President again got concerned and issued an Executive order announcing that he was freezing employment at the July 1966 level.

I have just had a copy of that Executive order printed in the RECORD. What happened this time? Since that Executive order was issued the President has added 185,393 more employees.

I appreciate the President's great expression of concern for economy. I appreciate his speeches and his promises of economy as much as any American; however, we are about to go broke as a result of that kind of economy. Each time the President expresses concern over the number of employees he just adds another 100,000 to 200,000 employees.

The Senator from Oklahoma said that this is a buggy amendment or a meat-ax approach. If it is so it is a Texas meat ax. I am using the same ax that was presented by the President of the United

States. It is a good Texas ax, and if the President of the United States is approaching the economy with a meat-ax approach perhaps he thinks we need this kind of meat-ax approach.

If, as the Senator from Oklahoma claims, the amendment has bugs I remind him that they are not mine; they are Texas bugs.

The pending amendment would merely write into the law what the administration says, and surely the President meant it. Surely the Senators on the other side of the aisle have enough confidence in their own President to think that he was on the level when he promised this cutback in Federal employment.

Certainly we have established some new agencies. The President knows about those agencies, and in his Executive order he provided that the Budget Director could transfer employees to these new agencies.

The Transportation Agency was mentioned. We have created a new transportation agency. They had 53,000 employees, but we transferred 43,000 of those employees from the Department of Commerce.

Under the pending amendment the President can transfer employees from agency to agency and make the cutbacks wherever he sees fit in line with his own Executive order.

The pending amendment would not cause the firing of a single Government worker. There is no time limit here. The measure merely states that at the end of every 3-months period, three out of every four normal resignations or retirements must be eliminated until the July 1, 1966, level of employment has been reached. They can appoint one-fourth of all normal resignations and retirements.

That gives them a chance to continue in operation. If they have a specialist that resigns they can hire another one.

This same language has been adopted in the law heretofore. It has been done many times before when Congress and the administration were really serious on curtailing expenditures.

I have too much respect for the man in the White House to say that he was not serious when he issued his Executive order of September 20, 1966. Surely the President of the United States was serious, and surely his political party will back him in this Executive order. Surely Democratic Members of the Senate will not try to discredit him by saying that the President was using an irresponsible meat-ax approach or had a buggy idea when he said he was trying to cut back on Federal employment.

Let us proceed on the premise that he was serious and help him roll back the number of Federal employees in the exact manner in which he said he wanted to do it.

If, on the other hand, those on the other side of the aisle think the President was not sincere and that his statement of September 20, 1966, was just so much political poppycock, they should vote against the amendment and then tell the American people that the President really did not mean it. Then let us cut out this political malarky of saying

the administration is for economy when it is not.

Mr. MONRONEY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. MONRONEY. Mr. President, the President does not need a bill to effectuate economy. He is trying to effectuate economy. Everyone knows that the war has escalated and that we have more employment in the Government as a result of it. The situation affects other agencies than the Department of Defense. However, those figures are also Department of Defense figures.

I think the President can and should and will effectuate a reduction in Federal employment by the use of a surgeon's knife and not by the meat-ax Williams approach. He will do so because he does not have to come to Congress with relation to the number of employees in each agency and have the figure fixed in concrete, by reason of attrition, and fill one job for every four positions that have become vacant by reason of resignation or retirement.

The proposal is dangerous. It would put the Government in a straitjacket. We have cut appropriations by \$5 billion so far this year. I am proud of the job that the Appropriations Committee has done. It will do a lot more and will reduce personnel far more for the purpose of economy than would the Williams amendment. I think the Williams amendment should be rejected. It is dangerous, harmful, and unworkable. It is a rigid piece of legislation to apply in a country during a wartime economy when the country needs production in the way of administration and the auditing of accounts and things that are so vitally necessary to protect the country because of the great war expenditure that is required.

I ask for the rejection of the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS of Delaware. Mr. President, I have said enough in support of the amendment. Frankly, I was confident that the amendment would be unanimously agreed to, with the support of those on the other side of the aisle.

I am surprised that my good friend, the Senator from Oklahoma, would describe an Executive order of the President of the United States, a man representing his own political party, as being an irresponsible meat-ax approach. I am surprised that the Senator used all those uncomplimentary adjectives. Even as a member of the minority party I have more respect for the President than to charge that he would issue an Executive order solely for political purposes and that he never had any intention of implementing it.

But perhaps they have a reason. What has happened every time the President has put such an Executive order into effect? When in December 1965 the President promised that for the remainder of

that fiscal year he would cut Federal employment by 25,000 he added 187,526 employees to the payroll.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS of Delaware. Mr. President, when the President announced his freeze order of September 20 instead of holding the line, he added another 185,393 employees within the next 12 months.

The Secretary of the Treasury, Mr. Fowler, is before the House Ways and Means Committee today promising that the President is again going to cut the Federal payroll. I shudder to think what will happen this time when he promises to reduce employment by Executive order.

Our experience has been that he adds another couple of hundred thousand every time. That is what I want to correct. If they do not mean it then they should stop talking about it and tell the American people the truth.

These false promises of economy are contributing to this credibility gap both here at home as well as abroad.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. Mr. President, I think the Senator from Oklahoma misinterprets the amendment of the Senator from Delaware. He said this would be a rigid piece of legislation.

As I read the amendment, it is simply applicable to the aggregate population of Federal employees.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. MUNDT. And the President has a perfect right to shift the employees from an understaffed department—if he can conceivably find one—to a new department. There is nothing rigid about it except the setting of a top limit.

Mr. WILLIAMS of Delaware. The Senator is correct. Likewise, the amendment would not place any time limit as to when they must reach this July 1, 1966, objective. They reach it in the normal manner through resignations and retirements. If it takes 6 months, a year, or 2 years, they ultimately reach their objective. However, they must continuously move in the direction of dropping back to the July 1, 1966, level of Federal employment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS of Delaware. This amendment is in line with what the Bureau of the Budget will need to implement this Executive order. This is in line with what was promised in the September 20 Executive order. Certainly my Democratic colleagues will not charge

that that was not an irresponsible action on the part of the President. I do not so characterize it.

Mr. MUNDT. It seems to me that the way the Senator has described it, the Senator could not possibly have done anything to direct a reduction of the Federal payroll with a greater degree of flexibility. I do not see how anyone could grant any more Executive authority than the Senator has. He provides that this will be the top bracket and that the administration can do this in accordance with the job that needs to be done.

Mr. WILLIAMS of Delaware. The Senator is correct. He can move these employees around. They have complete jurisdiction to do it.

The point that concerns me is that we are dealing with a bill that will ultimately cost about \$2.5 billion annually.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS of Delaware. Mr. President, each 1-percent increase in Federal taxes across the board brings in about \$900 million. A 3-percent increase in taxes across the board would be required to pay for this bill. We must take some constructive step to hold the cost of this Government down.

I believe the least the Senate can do is to support the amendment. Surely this one of the most responsible amendments I have ever offered. In fact, I was inclined to offer it on behalf of both myself and President Johnson, but I would not be so presumptuous. However, I appreciate the honor of upholding his hand in the Senate, where apparently he has so few friends.

The adoption of this amendment will achieve a reduction in the cost of Government totaling at least \$1.5 billion annually.

Whether the President was serious or not, let us take him at his word. At least he cannot object.

Mr. MONRONEY. Mr. President, I yield myself 2 minutes.

As I read the amendment offered by the distinguished senior Senator from Delaware, I see no relationship in language or plan or program to that of President Johnson. I do not believe it is proper to say that this is the President's bill, when it bears only the handiwork and the usual degree of misaccuracy and miscalculation we sometimes find in congressional drafted legislation, instead of the skills of trying to use executive power through well-trained budget groups to effectuate these ceilings.

Even the distinguished Senator, who pointed out how flexible it was in an interchange between agencies, thought it was necessary to exempt the CIA so that they would not be left short in their undercover work. The author does not consider it to be flexible, or he would not have included the Department of Defense or the Federal Bureau of Investigation. This proves to me that he does not know exactly what departments will be crippled. So he singles out these few

which will not be crippled, and he leaves all the others, no matter how enlarged or how important their program might be, to the vagaries of what the overall amendment might happen to be.

Again, this is a meat-ax approach, a typical operation for a quickie amendment to vitally affect, in a dangerous way, the economy and the operation of this vast Government of ours.

Mr. WILLIAMS of Delaware. I take 1 minute to call attention to the fact that the reason the Department of Defense and the postal service were excluded is that they, along with the FBI, were a part of the President's recommendations.

At the time the suggestion was made about the CIA, I said it did not make any difference whether it was in or out. Under the rules they could handle it, but if the Senator from South Dakota felt differently, it did not make any difference, and I accepted his suggestion.

The reason these others were included is that the President had them in his recommendations, and I was trying to repeat what was in his order.

Now as to this being called a meat-ax approach—if it is a meat-ax approach, it is a good old Texas meat-ax that should be put into law.

I hope the Senator will join me in accomplishing this.

If, as the Senator from Oklahoma states, this amendment has the "usual degree of misaccuracy miscalculation" I remind him that he is talking about a proposal first made by President Johnson. This was the President's own proposal.

Mr. MONRONEY. Will the Senator tell the Members of Congress why he has excluded the National Security Agency, one of the larger agencies, which is not included in the list of protected agencies?

The Senator has missed many things he is trying to protect, and in this meat-ax approach, the National Security Agency has no more protection than the poverty program.

The PRESIDING OFFICER (Mr. BAYH in the chair). The time of the Senator has expired.

Mr. WILLIAMS of Delaware. I yield myself 1 additional minute.

The PRESIDING OFFICER. The distinguished Senator from Delaware has no time remaining.

Mr. WILLIAMS of Delaware. I yield myself 5 minutes on the bill.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I should like to complete my statement first.

The reason these certain agencies were excluded and others were not is that I followed the pattern outlined in the President's Executive order.

If the Senator desires to know why the President did not include the other agencies his relationship is closer with the President than mine, and I suggest that he ask the President. I would appreciate it also if the next time he meets the President he tell him that I am going to try to persuade enough of his friends in Congress to uphold his hand by getting his Executive order written into law.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. HOLLAND. What provision is made, under the proposed amendment, for filling vacancies in the Post Office Department?

Mr. WILLIAMS of Delaware. The Post Office Department can fill its vacancies without regard to the one-in-four formula under the President's Executive order. However, at the end of each quarter the Director of the Budget Bureau would certify, for example, that they have had 500 resignations and retirements and that they had reduced the Federal payroll by 375. The 125 could be filled in or transferred to any department, and they could be transferred among the agencies. They would have a free hand, as they have without this amendment. That is the way the President had suggested it in his Executive order.

With respect to the Post Office Department, I suppose the reason he exempted that agency is that it has a certain amount of seasonal activity. Such seasonal activities were exempted under his order.

Mr. HOLLAND. Does this mean that only one out of four vacancies in the Post Office Department can be filled?

Mr. WILLIAMS of Delaware. No, not at all. It means that one out of four of the aggregate number of Federal employees can be filled each quarter. But they can fill them as they see fit and in whichever agency they see fit. They have complete flexibility to interchange and work around the agencies.

Mr. HOLLAND. In other words, in filling the Post Office vacancies to keep the service going—there are thousands of vacancies that occur every year due to retirement or other causes—the other agencies can be impoverished as to their employees in any way that the Bureau of the Budget suggests?

Mr. WILLIAMS of Delaware. That is the President's Executive order, and that is provided for in this amendment.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. I call attention to the fact that the Senator's amendment excludes the postal field service.

Mr. WILLIAMS of Delaware. Yes.

Mr. CURTIS. Line 13, page 3.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. HOLLAND. The Post Office vacancies and the Post Office numbers shall be included in the one out of four. The Senator made that statement a moment ago.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONRONEY. I yield back the remainder of my time.

Mr. WILLIAMS of Delaware. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I an-

nounce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from New Hampshire [Mr. McINTYRE] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. McCARTHY], the Senator from Georgia [Mr. RUSSELL] and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from California [Mr. KUCHEL] is detained on official business.

On this vote, the Senator from Tennessee [Mr. BAKER] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Iowa would vote "nay."

The result was announced—yeas 27, nays 60, as follows:

[No. 361 Leg.]

YEAS—27

Aiken	Griffin	Mundt
Allott	Hansen	Murphy
Bennett	Hatfield	Pearson
Byrd, Va.	Hickenlooper	Proxmire
Church	Hruska	Ribicoff
Cotton	Jordan, Idaho	Smith
Curtis	Lausche	Talmadge
Dominick	McClellan	Thurmond
Fannin	McGovern	Williams, Del.

NAYS—60

Anderson	Harris	Monroney
Bartlett	Hart	Montoya
Bayh	Hartke	Morse
Bible	Hayden	Morton
Boggs	Hill	Moss
Brewster	Holland	Muskie
Brooke	Hollings	Nelson
Burdick	Inouye	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Javits	Percy
Carlson	Jordan, N.C.	Prouty
Case	Kennedy, Mass.	Randolph
Clark	Kennedy, N.Y.	Smathers
Dirksen	Long, Mo.	Sparkman
Eastland	Long, La.	Spong
Ervin	Magnuson	Stennis
Fong	Mansfield	Tydings
Fulbright	McGee	Williams, N.J.
Gore	Metcalf	Yarborough
Gruening	Mondale	Young, Ohio

NOT VOTING—13

Baker	McCarthy	Symington
Cooper	McIntyre	Tower
Dodd	Miller	Young, N. Dak.
Ellender	Russell	
Kuchel	Scott	

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. BREWSTER and Mr. DIRKSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MANSFIELD. Mr. President, will the Senator from Maryland yield, with-

out losing his right to the floor, so that we may discuss the program for the remainder of the day?

Mr. BREWSTER. I yield.

Mr. MANSFIELD. I thank the Senator.

PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. DIRKSEN. Mr. President, I wish to ask the distinguished majority leader whether he can ascertain how many amendments may still be called up, and as to the business for the balance of the day after we finish the instant bill.

Mr. MANSFIELD. I am delighted to furnish what information I have at my disposal.

It is my understanding that the distinguished Senator from Indiana [Mr. HARTKE] may have an amendment which possibly will be acceptable to the committee. I further understand that the distinguished Senator from Maryland [Mr. BREWSTER] has an amendment, and that he is willing to agree to a 10-minute time limitation, 5 minutes to each side.

Mr. President, I formally make that request for the 10-minute time limitation in connection with the Brewster amendment which will be the next amendment to be proposed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Does the Senator from Texas have an amendment?

Mr. YARBOROUGH. I have an amendment, but I shall not request a rollcall vote.

Mr. MANSFIELD. Mr. President, there is one other amendment to be offered by the distinguished senior Senator from Texas [Mr. YARBOROUGH], and one amendment to be offered by the distinguished senior Senator from Oklahoma [Mr. MONRONEY], the manager of the bill, none of which, I understand will take very long.

Therefore, I think we can reasonably anticipate that about 6 o'clock we should be able to approach final passage. Certainly third reading should occur by that time, unless something develops.

Mr. President, this bill is to be followed by Calendar No. 793 (H.R. 13510) the military pay bill. At least that measure will be laid down tonight. Whether it is taken up will depend on the duties and responsibilities which the distinguished Senator from Georgia [Mr. RUSSELL] has at that time.

Mr. DIRKSEN. I thank the Senator.

Mr. MANSFIELD. I do not believe that I gave the whole schedule insofar as it could be accomplished, so I think I had better do it now.

Following the disposition of the military pay bill, Senate Resolution 180, the U.N. resolution on Vietnam will be taken up.

Then, it is hoped, some time late tomorrow afternoon, it will be possible to take up various conference reports which will be coming over from the House.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House

had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8629) to amend the act of July 4, 1966 (Public Law 89-491).

The message also announced that the House disagreed to the amendment of the Senate to the bill (H.R. 12144) to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. GATHINGS, Mr. FOLEY, Mr. PURCELL, Mr. BELCHER, Mr. TEAGUE of California, and Mrs. MAY were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 8629) to amend the act of July 4, 1966 (Public Law 89-491).

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

The Senate resumed the consideration of the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

AMENDMENT NO. 477

Mr. BREWSTER. Mr. President, I have an amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BREWSTER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 143, line 7, insert the following: "Sec. 225. (a) Section 5102(b) of title 5, United States Code, is amended to read as follows:

"(b) Except as provided by subsections (c) and (d) of this section, this chapter applies to all civilian positions and employees in or under an agency, including positions in local boards and appeal boards within the Selective Service System and employees occupying such positions."

"SEC. 2. So much of section 10(b)(4) of the Universal Military Training and Service Act (50 App. U.S.C. 460(b)) as precedes the words 'That any officer' is amended to read as follows: '(4) to appoint, and to fix, in accordance with the classification provisions of title 5, United States Code, the compensation of such officers, agents, and employees (including employees of local boards and appeal boards) as he may deem necessary to carry out the provisions of this title: Provided,'"

"SEC. 3. The rate of basic pay of each employee appointed to a position in a local

board or in an appeal board within the Selective Service System prior to the effective date of this Act shall be adjusted, as of such date, as follows:

"(1) If the rate of basic compensation of such employee is equal to any scheduled rate for the grade to which the position of such employee is allocated, such rate of basic compensation shall be the new rate of basic compensation for such employee;

"(2) If the rate of basic compensation of such employee is less than the minimum scheduled rate for the grade to which the position of such employee is allocated, such minimum rate shall be the new rate of basic compensation for such employee;

"(3) If the rate of basic compensation of such employee falls between any two scheduled rates for the grade of which the position of such employee is allocated, the higher of such two rates shall be the new rate of basic compensation for such employee; and

"(4) If the rate of basic compensation of such employee is greater than the maximum scheduled rate for the grade to which the position of such employee is allocated, such rate of basic compensation shall be the new rate of basic compensation for such employee."

"SEC. 4. This Act shall take effect at the beginning of the first pay period which begins more than ninety days after the date of enactment of this Act."

Mr. BREWSTER. Mr. President, my amendment pertains to clerks of the Selective Service System working in the local appeal draft boards. As we all know, because of the situation in Vietnam, our draft boards are very active. These clerks perform a very valuable service to all Americans. These clerks in the draft boards serve fulltime capacity as Federal employees performing a valuable service for all America. Probably there is no more important thing for the young men of our country than the decision whether they will be drafted into the armed services.

However, the clerks are paid not as regular Federal employees but on some arbitrary system depending upon what someone else may determine to be the prevailing rate in their own community.

They are not covered under the classified service. They have no classified rating. Time and again they have petitioned Congress that they be included in the classified service.

Here we are passing a bill which will substantially increase the salaries of Federal employees, but we fail to take into account or to recognize the very fine service being rendered by the draft board clerks.

My amendment would simply include them in the Federal service and classify them and give them the benefits of this pay raise.

I think this is a perfectly fair request on their part, and I ask the chairman of the Committee on Post Office and Civil Service if he would accept the amendment and take it to conference.

Mr. MONRONEY. Mr. President, I should like to accept the amendment, but I fear that this is a questionable area. The Selective Service System and its administrators find themselves opposed to including these clerks in the Federal Civil Service system. Most of the draft boards are run by officials appointed and designated by the States. The comparability of pay is more or less in line with that paid to State and local employees rather

than Federal postal employees and those under the classified civil service.

It seems to me that, at this time, it should be authorized by legislation and taken out as a separate bill.

I would be very glad, because I know of the distinguished Senator's longtime interest in this problem to assign such a bill to a subcommittee, hopefully to call it before the subcommittee early and have some testimony taken on it, to find out what the cost would be and other aspects of the problem.

Accordingly, at this time, I would rather not take the amendment—especially at this late hour—not take a step this far without having had testimony and some knowledge of what we are doing, since it involves about 7,500 local clerks in draft boards who are today earning a nationwide average of \$4,700. I am aware that they will probably receive an increase which will result in about a 17-percent pay increase for them by administrative action.

Therefore, I would have to oppose the amendment. I would be very much in favor of a hearing to explore the subject in the Subcommittee on Civil Service, in which my distinguished colleague is one of the most energetic and ranking members.

Mr. BREWSTER. Mr. President, of course, I am pleased that the chairman of the committee has indicated he would like to take up the measure at a later date, if it is not adopted now. But I do request the chairman to take the measure to conference because I think it would be entirely fair and equitable.

I think the request of the clerks merely to be treated as any other Federal employee is certainly fair.

I would ask the Senate to consider my amendment favorably.

Mr. President, I yield back the remainder of my time.

Mr. LAUSCHE. Mr. President, will the Senator yield me 3 minutes?

Mr. MONRONEY. Mr. President, I yield 3 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 3 minutes.

Mr. LAUSCHE. Mr. President, while the proposal of the Senator from Maryland is of consequence, to some it may seem to be of inconsequence. It points up one of the great problems Congress is creating by constantly increasing the wage schedule of Federal employees.

During my 10 years of service as Governor of Ohio, one of the problems constantly confronting me was the inability of the State of Ohio to pay salaries comparable to those paid by the Federal Government.

It raised one of two questions: Was the State paying too little, or was the Federal Government paying too much?

The answer probably is that a midway ground should be established. I am sure that the Governors of every State in the Union—and all Senators now in this Chamber who have been Governors—will confirm my words, that what the Federal Government has been doing has contributed to great embarrassment and difficulty on the part of Governors in running their State governments.

Salaries have been pumped up and increased, here on the floor of the Senate, beyond the wildest imagination.

If my chief assistant—and I say this with all due respect to the Senator from Maine [Mrs. SMITH]—were to receive \$27,000 a year, without having to endure any of the hazards of running for election, or experience the grief, the barbs, and the attacks heaped upon him as a public official, and without any of the responsibilities, he would be earning practically what I as a Senator would be earning.

Obviously, that cannot be justified.

In conclusion, while I recognize the good purpose of the Senator from Maryland to accord the registrars in the Selective Service System the same rights that are accorded to Federal employees engaging in a substantially similar capacity, there is no more justification for granting them the liberal salaries which the Federal Government is providing than there is for granting them to any other employee in the State governments.

The best service that Congress can render the people of this Nation is to stop the inflationary spiral.

I repeat, the greatest service we can render the people is to stop the inflationary spiral. Instead of doing that, we seem to be adding fuel to the fire, which is completely wrong.

Mr. MONRONEY. Mr. President, I yield myself one-half minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for one-half minute.

Mr. MONRONEY. Mr. President, this matter is under the joint jurisdiction of the Post Office and Civil Service Committee and the Armed Services Committee. They have a joint jurisdiction in a way, because the Universal Military Training Act came out of the Armed Services Committee.

As I said a moment ago, if we cannot clear it with the Armed Services Committee, then we will do it, if we have to yield to them.

However, I certainly compliment my distinguished colleague for his efforts. I ask that the amendment be rejected on a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was rejected.

AMENDMENT

Mr. MONRONEY. Mr. President, I send to the desk an amendment and ask that it be stated.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the Yarborough amendment to be proposed there be a time limitation of 10 minutes, the time to be equally divided between the Senator from Texas [Mr. YARBOROUGH] and the Senator from Oklahoma [Mr. MONRONEY].

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment offered by the Senator from Oklahoma will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 148, line 10, strike out subsections (a) and (b) and in lieu thereof insert the following:

"(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 10 minutes on this amendment, the time to be equally divided between the Senator from Oklahoma [Mr. MONRONEY] and the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, I yield myself 3 minutes.

Mr. President, I made a "boo-boo" in overlooking certain inclusions. In the insurance provisions which were designed to cover all Federal civilian employees, I omitted the inclusion of three very important employees of the Federal Government, which was discovered after the long, "punchy" sessions in which we worked on the bill. I probably would have proposed the amendment. I know most of the members of the committee would have supported it. The record will show that all the Democratic members of the committee are cosponsors of the amendment. I understand from the distinguished Senator from Kansas [Mr. CARLSON], who has discussed it with all the minority members of the committee, that while they do not sponsor it, they are favorable to it.

In taking all of the nearly 3 million employees into the insurance program, we provided for maximum insurance, which, for the average employee, will bring him up to a minimum of \$10,000 insurance, no matter how low his Government salary. He will have \$10,000 worth of insurance, plus \$2,000, that will partly be at Government expense.

If his salary is over \$10,000, then the coverage will be to the highest next thousand. If his salary were \$10,500, his insurance coverage would be \$11,000, plus \$2,000.

In the case of U.S. Senators, we will have insurance that we will be eligible to buy, with the Government providing a one-third contribution and two-thirds being provided by us, amounting to \$30,000, equal to our salary, plus \$2,000, as the Government's share.

We will also be allowed to buy, as the lower paid employees are also allowed to buy, a \$10,000 policy at our own expense. This will allow us to purchase a group policy at lower rates, without cost to the Federal Government.

This would have made an effective limitation on any insurance program to cover all Government employees, save three, up to \$30,000.

I found that we overlooked covering the President of the United States, who, as Senators know, receives a salary of \$100,000. We overlooked covering the Vice President of the United States, who, I believe, has a \$43,000 salary. I think we overlooked covering the Speaker of the House, who has a \$43,000 salary.

This amendment would make them, on the same terms, eligible to purchase insurance, at their own expense, to the limit of \$32,000 with a Government participation of one-third of the cost, and two-thirds by the insured, with the right to buy additional \$10,000 insurance—as we have the right to do, and as all other Government employees have the right to purchase the additional \$10,000 of insurance, plus the additional \$2,000; but there is no provision to enable the President, the Vice President, or the Speaker of the House to buy insurance above their salary level.

Under the terms of the amendment, the Vice President and the Speaker of the House would have the right to buy a \$1,000 policy at their own expense. The President, with a \$100,000 salary, would be allowed to buy, at his own expense, the difference between \$32,000, in which cost the Government would share, and the \$100,000 which is his total salary.

I am frank to say that we are anxious to help our President. President Eisenhower suffered a very difficult heart attack and was near death. The President is not only subject to hazardous health conditions, but to such tragic occurrences as we witnessed a few years ago in the case of President Kennedy.

I think this is the least we can do for our No. 1, No. 2, and No. 3 officials in our Government.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CARLSON. I had not realized that the Speaker of the House might not be included. Is it correct that he would not be included?

Mr. MONRONEY. That is my understanding. Our limit is \$30,000 plus \$2,000 insurance and we would be allowed to buy \$10,000 worth. So he would be allowed to buy \$42,000 worth. He would have \$1,000 additional if he wanted to buy it.

Mr. CARLSON. He would be allowed to buy how much more?

Mr. MONRONEY. He would be allowed to buy \$1,000 additional insurance.

Mr. CURTIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield myself 2 minutes.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. CURTIS. How much would an employee have to pay on the optional part after his retirement?

Mr. MONRONEY. After retirement, as I understand it, the optional part is paid up, but the insurance declines at the rate of 2 percent every month. So each year the insurance would be 24 percent less. The residual insurance comes down to a minimum of 25 percent of the original insurance that he bought. That is after age 65.

Mr. CURTIS. During his period of service the employee pays the cost of the optional part, but after retirement, if he is 65, he pays nothing?

Mr. MONRONEY. That is right. The Government pays nothing on his policy. This is completely not at Government expense.

Mr. WILLIAMS of Delaware. Mr. President, I do not see why either the President or Members of Congress should have subsidized life insurance. I am skeptical about any provision covering just one or two or three people. We had one amendment yesterday for one former Texas Congressman. Now we have a provision for three persons. I question the wisdom of providing the President, Vice President, or Members of Congress with subsidized insurance.

Mr. MONRONEY. It is not subsidized insurance. He gets the advantage of a lower rate because we are insuring 3 million people under a group policy. There is no subsidization. I forget how many thousands of dollars a year it is going to cost. They can buy the additional \$10,000. The Vice President and the Speaker of the House may buy the \$11,000, and the President can get the other \$78,000 extra.

Mr. WILLIAMS of Delaware. Perhaps I misunderstood. I thought the Senator said something about a ratio of 1 to 2.

Mr. MONRONEY. This is limited to \$30,000, plus the \$2,000. That is as high as anyone can go. The lowest paid employee also is allowed a policy of \$10,000 plus \$2,000. The Government pays one-third. We pay two-thirds of the cost. This arrangement has been in existence for a long time. Of course, our salaries were at \$20,000 at one time, and, as Members of Congress, we were paying two-thirds and the Government was contributing one-third. That arrangement has not been changed since then. This provision brings the insurance up to the income of Members of Congress, the same as is provided for Federal workers.

Mr. WILLIAMS of Delaware. I remind the Senator that on August 12 the President vetoed the life insurance bill for Federal employees with a rather stinging veto message, stating that it would cost too much money. What is the difference between that bill which he vetoed and this one, except that the President, the Vice President, and Members of Congress are included in this one?

Mr. MONRONEY. There is a vast difference in the insurance coverage between that one and the present one. We provided that the policies would not shrink after retirement, but would remain at the rate that they were under the existing policy. We hoped employees who had \$10,000 policies would not have those policies reduced at the rate of 24 percent a year. This is where the big cost is, because if the level of insurance were kept the same after retirement, at

Government expense, and the amount of the policy did not diminish at the rate of 2 percent a month, the insurance being paid up would be at a high rate for the people who had retired. Because the insurance policy would be shrinking at the rate of 2 percent a month, it reduces the cost, and holds the cost to \$45 million for the 2 million Federal employees, Members of Congress, the President, the Vice President, and the Speaker of the House.

Mr. WILLIAMS of Delaware. How much do the insurance provisions under this bill cost when the program gets fully operating?

Mr. MONRONEY. Thirty-five million dollars.

Mr. WILLIAMS of Delaware. The President vetoed the other life insurance bill because its cost was more than the \$13 million program which he had recommended.

Now I am asking, What is the difference in that bill which he vetoed, except that he and Members of Congress are covered in this one?

Mr. MONRONEY. I would hardly say that.

Mr. WILLIAMS of Delaware. I am just asking.

Mr. MONRONEY. Members of Congress are in it, too.

Mr. WILLIAMS of Delaware. That is right. Members of Congress are in it, too. Why?

Mr. MONRONEY. Members of Congress and the President are in this one.

Mr. WILLIAMS of Delaware. And there was already some coverage in the existing law.

Mr. MONRONEY. Yes.

Mr. WILLIAMS of Delaware. But he vetoed the expanded version of the program because it went beyond his \$13 million projected cost. This bill is 3 times over his original recommendations.

Mr. MONRONEY. Yes; it went up to about \$100 million because we added a nondiminishing level of insurance. We sought to protect the retirees of the Federal Government, including Members of Congress, at the level that they had carried the insurance while on salary, and that feature was objectionable to him because the rate was high—three times the cost we are talking about here.

He subsequently supported a \$30 million bill and said he would sign it, which we did not choose to pass, and we brought this one out after having given it careful study and thorough discussion.

The only fault I raise is with myself, in that I failed to recognize that we would leave three very important persons without the right to buy the additional optional insurance up to the level of their own salaries, at their own expense; and restoring that right is all that this amendment would do.

Mr. WILLIAMS of Delaware. Mr. President, I question the wisdom of expanding this program at this time.

Mr. MONRONEY. Is the Senator against the whole insurance program?

Mr. WILLIAMS of Delaware. As far as including Members of Congress in this expansion is concerned, I do not see why the taxpayers should be asked to underwrite an insurance program for either Members of Congress or the President

of the United States. If the President and Congress want life insurance let them buy it. I admit that the President has just as much right to be in it as anyone else, but I question the wisdom of putting any elected officials under a subsidized insurance program.

I do not see much difference between the program before us and the one vetoed except that the President and Members of Congress will be able to participate this time and the other time they would not have. I shall vote against the amendment.

I ask unanimous consent that excerpts from President Johnson's veto message on H.R. 11089, a bill which would have increased life insurance coverage for Government employees, as submitted to the Congress on August 14, 1967, be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

To the House of Representatives:

I am compelled to return, without my approval, H.R. 11089—a bill which would cause large increases in life insurance coverage for government employees, officials and Members of Congress.

I am returning this bill because it places too heavy a burden and levies too heavy a charge on the American taxpayer by providing private insurance out of public funds.

I am returning it because it sets an unwise precedent at a critical time in our history. Today, we dare not divert our resources for unnecessary demands, when there are many more crucial needs which urgently require our support.

Life insurance is but one of many fringe benefits a government employee or official receives. Certainly government life insurance was never intended to meet entirely the needs of an employee or his family. It is meant primarily to supplement his personal coverage.

Nevertheless, we know that the life insurance program must be strengthened and improved. That is why last year I recommended needed changes in insurance benefits to Congress that I considered reasonable and fair.

Congress, however, far exceeded my recommendation. And so last year I was compelled to disapprove the life insurance measure because it threatened to fuel the fires of inflation and to impose an unwarranted burden on the taxpayer.

Again this year hoping for a sound program, I recommended another modest measure. In June, I called for a \$13 million program designed to—

Make the insurance system actuarially sound; and,

Remove an inequity by providing additional coverage.

The bill which finally passed the Congress was subjected only to brief debate. The roll was not called in either House on the passage of this bill. It was passed by voice vote.

If this measure were approved, the cost to the American taxpayer would rise from the \$13 million I recommended to a minimum of \$61 million in the first year and continued commitments for the future.

The bill would substantially increase life insurance coverage at the taxpayer's expense for all government officials and employees:

For most by 33½ percent—an unnecessary expense.

For a selected few—the President and Vice-President, Cabinet and sub-Cabinet officials, the Members of Congress, Members of the Judiciary, and U.S. Ambassadors, all those in the highest brackets who need it the least—by 100 percent, to \$40,000—an unwarranted expense.

Finally, it would increase the government's contribution for each employee from 33½ percent to 40 percent.

This bill would impose an added burden on the American taxpayer just when we are asking him to pay a 10 percent tax surcharge. And, because our budget is tight, it would syphon funds away from Americans who need our support much more: children, the poor, the elderly—and most important, American fighting men in Vietnam.

In the face of a possible \$29 billion deficit, we must scrutinize every dollar that we spend. To keep the budget within bounds and to head off the threat of inflation, I pledged in my Economic Message last week that "I will make every possible expenditure reduction—civilian and military—short of jeopardizing the national security and well-being." H.R. 11089 does not meet this rigorous test.

Over the past ten years, the salaries of Federal employees have risen by nearly 75 percent—and their life insurance coverage has risen by the same amount, 75 percent.

Since I have been President, there have been four successive civilian pay increases—and four insurance increases. The total cost of these programs has amounted to more than \$2 billion. And with the new 4.5 percent pay increase which I have proposed for this year, we will be adding almost another half billion dollars to civilian pay and insurance and another half billion dollars for military pay.

Against this background, I can see no justification for the large life insurance increases voted by the Congress.

Mr. CURTIS. Mr. President, will the Senator yield for a further question?

Mr. MONRONEY. I yield.

Mr. CURTIS. Is it true that the non-optional part decreases after retirement?

Mr. MONRONEY. Yes; it reduces at 2 percent a month.

Mr. CURTIS. Both parts?

Mr. MONRONEY. Yes. That is the reason it is cheaper. After retirement it drops, as I recall, to a residual one-fourth.

Mr. CURTIS. The nonoptional part the retiree does pay himself, does he not?

Mr. MONRONEY. Yes; when he buys the additional—

Mr. CURTIS. No; I mean after retirement, the retiree pays the nonoptional part, does he not?

Mr. MONRONEY. No.

Mr. CURTIS. The bill so states. It says: "During each period in which an employee continues"—

Mr. MONRONEY. He pays for the optional until he is 65. On reaching 65 or retirement if later than 65, he ceases to pay, but his insurance goes down at the rate of 2 percent a month until 25 percent remains.

Mr. CURTIS. I thank the Senator.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], and the Senator

from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Virginia [Mr. SPONG] is absent because of the death of his uncle.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD] and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from California [Mr. KUCHEL] is detained on official business.

If present and voting, the Senator from Tennessee [Mr. BAKER], the Senator from California [Mr. KUCHEL], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 79, nays 7, as follows:

[No. 362 Leg.]

YEAS—79

Aiken	Hansen	Monroney
Anderson	Harris	Montoya
Bartlett	Hart	Morse
Bayh	Hartke	Morton
Bennett	Hatfield	Moss
Bible	Hickenlooper	Murphy
Boggs	Hill	Muskie
Brewster	Holland	Nelson
Brooke	Hollings	Pastore
Burdick	Inouye	Pearson
Byrd, Va.	Jackson	Pell
Byrd, W. Va.	Javits	Percy
Cannon	Jordan, N.C.	Prouty
Carlson	Jordan, Idaho	Proxmire
Case	Kennedy, Mass.	Randolph
Church	Kennedy, N.Y.	Ribicoff
Clark	Lausche	Russell
Cotton	Long, Mo.	Smith
Dirksen	Long, La.	Sparkman
Eastland	Magnuson	Stennis
Ervin	Mansfield	Talmadge
Fannin	McCarthy	Tydings
Fong	McClellan	Williams, N.J.
Fulbright	McGee	Yarborough
Gore	McGovern	Young, Ohio
Griffin	Metcalf	
Gruening	Mondale	

NAYS—7

Allott	Hruska	Williams, Del.
Curtis	Mundt	
Dominick	Thurmond	

NOT VOTING—14

Baker	Kuchel	Spong
Cooper	McIntyre	Symington
Dodd	Miller	Tower
Ellender	Scott	Young, N. Dak.
Hayden	Smathers	

So Mr. MONRONEY's amendment was agreed to.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 479

Mr. YARBOROUGH. Mr. President, I call up my amendment No. 479 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in full in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, reads as follows:

On page 91, between lines 14 and 15, insert the following: "Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6).'"

Mr. YARBOROUGH. Mr. President, the pending amendment would correct a simple omission which has come to my attention. Fourth-class postal rates give preferential treatment to articles like books which are of an educational nature. It is in the public interest to stimulate exchanges of these materials.

Over the years we have added to this category other items of an educational nature which might have been omitted, and today I would like to include playscripts. Book manuscripts are included under fourth-class rates and playscripts, which are manuscripts or typewritten copies of plays, have been left out.

Ordinarily we oppose extension of these preferential rates, but, as the Postmaster General has pointed out to the House Committee on Post Office and Civil Service:

Because of the limited volume of playscripts in the mails, and since the proposed legislation would remove a discriminating feature of the present law and lessen operational and rate problems for postal employees pricing such matter, we would have no objection.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the Postmaster General under date of February 14, 1966, to Hon. Tom MURRAY, chairman of the Committee on Post Office and Civil Service of the House of Representatives, and a letter from Philip S. Hughes, Assistant Director for Legislative Reference of the Bureau of the Budget, addressed to Representative MURRAY under date of February 10, 1966.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C.

HON. TOM MURRAY,
Chairman, Committee on Post Office and Civil Service, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 6579, amending section 4554 of title 39, United States Code, to extend the special fourth-class postage rates to playscripts.

Under existing law and postal regulations (Postal Manual, section 135.214f), the special fourth-class rates of 10 cents for the first pound or fraction thereof and 5 cents for each additional pound or fraction are available for mailings of manuscripts for books,

periodical articles, and music. A playscript, which is a manuscript or typewritten copy of a play, is not eligible for these special rates under the present law.

The Department generally does not favor the piecemeal extension of the special fourth-class postage rates. However, because of the limited volume of playscripts in the mails, and since the proposed legislation would remove a discriminating feature of the present law and lessen operational and rate problems for postal employees pricing such matter, we would have no objection to the enactment of H.R. 6579.

The Bureau of the Budget has advised that from the standpoint of the Administration's program there is no objection to the submission of this report to the Committee.

Sincerely yours,

LAWRENCE F. O'BRIEN,
Postmaster General.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C.

HON. TOM MURRAY,
Chairman, Committee on Post Office and Civil Service, House of Representatives,
Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Bureau of the Budget on H.R. 6579, a bill "To amend section 4554 of Title 39, United States Code, to extend the fourth class educational and library materials rate to playscripts."

In a separate report to your Committee, the Postmaster General states that he would have no objection to enactment of H.R. 6579. Generally, the Post Office Department is opposed to extension of fourth class rates, but, as the Postmaster General points out, including playscripts would remove a discriminatory feature of the present law which already makes the special rate available for manuscripts of books, articles, and music. The volume of playscripts is limited and therefore no significant revenue loss would be involved.

The Bureau of the Budget concurs with the views of the Postmaster General and would have no objection to enactment of H.R. 6579.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

Mr. MONRONEY. Mr. President, the committee has discussed the amendment. We will be very glad to take the amendment to conference.

Mr. YARBOROUGH. Mr. President, I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. HARTKE. Mr. President, I send an amendment to the desk and ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 143, between lines 6 and 7, insert the following new section:

"WABASH VALLEY INTERSTATE COMMISSION

"SEC. 225. (a) The Federal representative to the Wabash Valley Interstate Commission appointed under section 2 of the Act of September 23, 1959 (Public Law 86-375; 73 Stat. 698) is hereby covered into the competitive

service under title 5, United States Code. Nothing in this subsection shall be construed to affect the provisions of section 2 of such Act relating to the compensation of such representative.

"(b) The Federal representative to the Wabash Valley Interstate Commission shall be subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and to the provisions of chapter 87 of such title, relating to life insurance."

Mr. HARTKE. Mr. President, this is a very simple amendment. It would provide for the Federal representative of the Wabash Valley Interstate Commission in the State of Indiana to be covered by the civil service retirement and life insurance programs, and put on an insured status. The people with whom he works are of the same status.

Mr. MONRONEY. The distinguished Senator from Indiana has talked with the committee about his amendment. We will be happy to take the amendment to conference.

Mr. HOLLAND. Mr. President, what group of employees is this?

Mr. MONRONEY. Mr. President, this is the Federal representative of the Wabash Valley Interstate Commission, a interstate institution on which he serves.

Mr. HOLLAND. It applies only to one person?

Mr. MONRONEY. Only to one person. We will take the amendment to conference.

Mr. President, I yield back the remainder of my time.

Mr. HARTKE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BOGGS. Mr. President, previous statements by the distinguished chairman of the Post Office and Civil Service Committee [Mr. MONRONEY] and the ranking minority member of the committee [Mr. CARLSON] have indicated the complexities of the Postal Revenue and Federal Salary Act of 1967, as well as the determined efforts by the committee to resolve equitably the problems to which the bill is directed.

As a member of the committee, it was a privilege to work with these dedicated Senators as we strove to bring a balanced bill before the Senate. Largely due to their leadership, I believe the committee has done this.

As in any far-reaching piece of legislation, the bill naturally does not represent completely the views of any one committee member.

What it does represent is a compromise of various positions, hammered out in an atmosphere of cordiality and high-minded purpose.

Both of the chief titles of the bill involved numerous difficult questions.

In title 1 we faced the need to increase sharply Post Office Department revenue. We tried to distribute that increase equitably over the different classes of mail, keeping in mind not only the actual cost of handling that class of mail, but its importance to the public at large.

Title 2 represents a long stride toward the principle of wage comparability, with special weight given to the situation involving the bulk of Post Office Department employees.

Title 3 gives the individual citizen some redress if he receives unwanted and unsolicited mail. Hopefully, the exercise of this provision by recipients of unwanted mail will put a decided crimp in the activities of those who mail obscene materials.

Title 4 provides what I believe is a necessary improvement in the life insurance protection of Federal employees. It is a reasonable increase in protection for Federal employees which we added with due consideration for the fiscal problems of our Nation.

Mr. President, I believe the bill as a whole deserves the support of the Senate. At the same time, I reserve the right to vote for amendments which I feel might make it even more effective. To my mind, the bill represents an outstanding example of the legislative process in action, with the most careful consideration given to the respective positions of all parties affected by the bill.

Mr. YARBOROUGH. Mr. President, I am proud to support this bill, H.R. 7977, the postal rate and Federal pay bill of 1967. As a member of the Post Office and Civil Service Committee I would like to commend the leadership of its chairman, our distinguished colleague from Oklahoma. This bill was complicated because in addition to the always perplexing problem of postal rates, we had to consider an equitable pay raise for Federal employees. The hearings and the committee meetings were as thorough as they were fair under the vigorous chairmanship of Senator MONRONEY. His great knowledge of both the postal rate schedule and the Federal pay scale is invaluable to the Government.

Mr. President, this bill will raise \$917 million at a time when the postal service desperately needs additional revenue for the modernization that will benefit all classes of users. Without increasing and improving our facilities our postal system cannot meet the increased demands on it. We have only 6 percent of the world's population, but we send and receive over one-half of the world's mail—over 82 billion pieces this year. The efficiency of this postal system is an indispensable tool of America's modern economy, for over 80 percent of that vast volume of mail will concern business. And business will profit because of this bill.

Increased modernization will also benefit the individual citizen who uses the mails. The Post Office has already begun action in anticipation of the benefits of this bill, and the Postmaster General should be commended for that. First-class mail will be airlifted when-

ever possible, and this will result in substantial improvements in service. This bill indicates our endorsement of the Department's eventual goal of 1-day delivery of first-class mail.

In addition to increased modernization, this bill will allow us to continue the many public services which are often taken for granted. There are certain postal services which Congress recognizes as being of such value to the public that no charge or only a very minimal charge is made for them. Among these services are rural delivery; second-class mail privileges for nonprofit groups of a religious, educational, veterans, or agricultural nature; low fourth-class rates so that books will be more readily available to more people; and free mailing of special materials to the blind and disabled. These services add to the quality of our national life. They are an expense we can afford, and one which is aided by this bill.

Mr. President, H.R. 7977 also provides a long-needed wage increase for our many fine Federal employees. The U.S. Government is the largest employer in the world. Today there are almost 3 million civilian employees in all branches of the government. For many years, those who chose Federal service received less for their work than persons in private sectors of our economy doing comparable work. Those private occupations, based of course on profits and incentives, responded more quickly to price increases and to individual talents of employees. Federal employees, with wages periodically set by Congress, seemed destined to lag always behind.

The result was that the Government had a problem in recruiting the many doctors, lawyers, engineers, and other professional and staff persons it needed. And even after recruitment, increasing salaries and fringe benefits in the private sector lured away many of the most promising employees. Our Government and the employees on which it depends must be second to none. And that means we must be a fair employer and pay a fair wage.

Under the leadership of President Kennedy, the Federal Salary Reform Act of 1962 was passed. That act established as a goal of Government, and as a commitment to its employees, wages which are comparable to those paid in private enterprise. There is a direct and proved relationship between adequate pay and the willingness of any employee anywhere to do his best. The Government would be saving nothing and gambling much if it did not recognize and follow this principle of equal pay for equal work for Federal employees. Comparability will be established in a phased increase by July 1, 1969, on the basis of the latest survey of the Bureau of Labor Statistics and this pledge to 3 million American workers will be kept.

Mr. President, I am proud that the committee unanimously struck out the provision of the House bill which would establish an Executive Commission on salaries. In the past we have benefited from the hard work of those serving on special commissions dealing with pay adjustments and other changes in law con-

cerning the compensation of Federal officers and employees. Those commissions have served a useful purpose in informing Congress. But this new proposed commission would be unacceptable. It would vest in the executive branch the authority to establish the salaries of Members of Congress. We have a solemn constitutional responsibility to set our salaries. Whenever we deal with this issue we must face our constituents squarely. We will not shirk that duty by handing it to the President or his salary commission.

Mr. President, it has been my privilege to work on this bill which will do so much for our nearly 3 million Federal employees. The lengthy hearings we had before the Post Office and Civil Service Committee support the need for what we have done, and I urge the passage of this bill.

FEDERAL EMPLOYEE PAY INCREASES WELL DESERVED AND OVERDUE

Mr. GRUENING. Mr. President, historically it has been all too true that Federal salaries for classified and postal workers have tended to lag behind when the cost of living is on the rise. I am glad to speak in favor of H.R. 7977 which attempts to overcome some portion of this lag.

The vast majority of Federal civil servants are conscientious, loyal, capable, and hard working.

Having spent a good many years in both the executive and legislative branches of the Federal Government and having during these years worked with thousands of career Federal employees, I know that I am not exaggerating in so describing them and their work.

I am repeatedly told by highly placed executives in private industry coming to work for the Federal Government for the first time of their amazement to find Federal employees so dedicated to the best interests of the Government, so scrupulously fair in their dealings with the general public, and so highly intelligent and knowledgeable about the intricacies of our ever more complex governmental machinery.

And they remain so despite the abuse to which they are all too frequently subjected. Thus we have recently seen an example of the entire body of employees of the Office of Economic Opportunity being singled out and refused a pay increase because there were some who wanted to express their dislike of that program—a program enacted by the Congress and which those employees were duty bound to administer. I am pleased that that attempted discrimination has been removed in the Senate version of the pay raise bill.

I am happy to vote in favor of these increased salaries for Federal employees, just as I have voted in favor of similar increases in the past every time they were proposed in the Congress since I have been in the Senate.

Mr. MANSFIELD. Mr. President, the junior Senator from Virginia [Mr. SPONG] was on the floor this afternoon when he received word of a death in his family. He took a great interest in this bill and desired very strongly to be present to vote in favor of its final passage.

However, the last transportation available to him to permit to reach the funeral services left this afternoon at 6 o'clock and he was required, therefore, to absent himself from this vote. I might add that Senator SPONG took the care to determine the risk to the legislation by his early departure this afternoon and was assured by the leadership that the bill or any of its provisions would not be in jeopardy by his departure this late in the afternoon, since only the vote on final passage remained and the leadership anticipated a generous margin to secure its final passage.

In addition, I assured Senator SPONG that it was our intention to attempt to reach final passage on the military companion pay bill immediately after this vote and that the leadership anticipated another generous margin on that bill.

Mr. MONRONEY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time on the bill.

Mr. CARLSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The bill having been read the third time, and all time having expired, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from Virginia [Mr. SPONG] is absent because of the death of his uncle.

I further announce that the Senator from Connecticut [Mr. DODD] and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from Arizona [Mr. HAYDEN], and the Senator from Virginia [Mr. SPONG] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from California [Mr. KUCHEL] is detained on official business.

If present and voting, the Senator from Tennessee [Mr. BAKER], the Senator from Iowa [Mr. MILLER], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

On this vote the Senator from California [Mr. KUCHEL] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from California would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from North Dakota [Mr. YOUNG] is paired with the Senator from Kentucky [Mr. COOPER].

If present and voting, the Senator from North Dakota would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 85, nays 2, as follows:

[No. 363 Leg.]

YEAS—85

Aiken	Gruening	Monroney
Allott	Hansen	Montoya
Anderson	Harris	Morse
Bartlett	Hart	Morton
Bayh	Hartke	Moss
Bennett	Hatfield	Mundt
Bible	Hickenlooper	Murphy
Boggs	Hill	Muskie
Brewster	Holland	Nelson
Brooke	Hollings	Pastore
Burdick	Hruska	Pearson
Byrd, Va.	Inouye	Pell
Byrd, W. Va.	Jackson	Percy
Cannon	Javits	Prouty
Carlson	Jordan, N.C.	Proxmire
Case	Jordan, Idaho	Randolph
Church	Kennedy, Mass.	Ribicoff
Clark	Kennedy, N.Y.	Russell
Cotton	Lausche	Smathers
Curtis	Long, Mo.	Smith
Dirksen	Long, La.	Sparkman
Dominick	Magnuson	Stennis
Eastland	Mansfield	Talmadge
Ervin	McCarthy	Tydings
Fannin	McClellan	Williams, N.J.
Fong	McGee	Yarborough
Fulbright	McGovern	Young, Ohio
Gore	Metcalf	
Griffin	Mondale	

NAYS—2

Thurmond Williams, Del.

NOT VOTING—13

Baker	Kuchel	Symington
Cooper	McIntyre	Tower
Dodd	Miller	Young, N. Dak.
Ellender	Scott	
Hayden	Spong	

So the bill (H.R. 7977) was passed.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MONRONEY. Mr. President, I move that the Senate insist on its amendments to H.R. 7977 and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MONRONEY, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. CARLSON, and Mr. FONG conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, as the chairman of the Committee on Post Office and Civil Service, the distinguished Senator from Oklahoma [Mr. MONRONEY] has consistently demonstrated his broad understanding of the many problems that face the Nation's postal system—has proved himself time and time again the champion of all Federal employees. That fact was again displayed clearly during the past 2 days while the Senate considered the Federal pay and postal rate bill of this year. Senator MONRONEY supported the measure with persuasive advocacy. He managed the bill with the highest degree of skill and ability. The Senate is deeply in his debt.

The senior Senator from Kansas [Mr. CARLSON] is similarly to be commended. His leadership as the ranking minority member of the committee was clearly felt

on this measure as on all proposals that gain his endorsement. While he offered his own sincere views on some features of the measure, he in no way impeded its efficient disposition and joined to assure its wide acceptance.

Other committee members are to be singled out for their strong efforts. The contributions of the senior Senator from Texas [Mr. YARBOROUGH], the Senator from Hawaii [Mr. FONG], and the Senator from Maryland [Mr. BREWSTER] were most welcome. They, along with the Senator from Nebraska [Mr. CURTIS] and the Senator from Indiana [Mr. HARTKE] led a highly thoughtful and enlightening debate.

Special praise is owed to the senior Senator from Delaware [Mr. WILLIAMS]. As always, his strong convictions were expressed with clarity and deep insight. His opposition to many features of the proposal was most sincere. Above all, his cooperation was sincerely appreciated and we thank him for joining to make possible the disposition of the measure today.

With the passage of this measure the Senate may be proud of another achievement obtained expeditiously and with full consideration for the views of every Member.

Mr. CANNON. Mr. President, I am pleased to note that the postal pay bill has passed the Senate and takes appropriate steps toward correcting the imbalance between the pay of this dedicated group of Government employees and workers in private industry. The legislative roadway is now clear for the military pay bill to be presented to the Senate for rapid action. I urge my fellow Senators to act affirmatively on this most worthwhile pending legislation. In this day of enormous sacrifice being made by our men in uniform the issue of comparability for our fighting forces with Government civil servants is irrefutable.

Mr. President, all Senators are fully as aware as I am of the heart-rending personal appeals which they frequently receive from hard-pressed families of our servicemen. Even with the allowances which have been provided by Congress the serviceman and his family is in a constant race to keep up with the cost of living. Certainly, the difficult tasks which they are called upon to perform overseas for their country is not made easier by the plight of their families. I am certain that Senators will want to read the very provocative and timely report on this very problem narrated in the current issue of Newsweek.

I ask unanimous consent to have printed in the RECORD an article entitled "Going for Broke" from this week's issue of Newsweek.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOING FOR BROKE

Bill Taylor, 21, lives with his wife, Leilani, and their 13-month-old daughter in a cramped three-room apartment on one of San Diego's shoddiest blocks. Each month, the family doggedly attempts the impossible task of making do with the \$348.90 Taylor receives from the government. Aside from the \$104 rent, a \$75 food bill and \$20 for phone and utilities, there are monthly in-

stallments to be met on a seedy 1960 Ford, a television set and a sewing machine on which the pretty, 19-year-old Leilani turns out much of the family wardrobe. At the moment, the Taylors have \$750 in bank loans to pay off. What's more, Leilani is expecting another baby sometime this month. "Bill wants a boy," she says. "But I'm hoping for a girl. That way we'll already have all her clothes."

The Taylors' income does not come from any welfare agency. The government check is made out to Boilerman 3/c William Taylor, USN. Under Bill's E-4 pay grade, the Navy pays him a base salary of \$222.90 plus an allotment of \$126 to maintain his family. The Taylors live off-base because the San Diego Naval Station does not offer on-base housing for anyone below the grade of E-5. Last year, Leilani planned to return to her cashier's job which, before their first baby was born, netted them \$350 a month. "But then," she sighs, "I turned up pregnant again." Now, the Taylors' financial future appears bleaker than ever.

GAP

The plight of the married enlisted man is by no means a new phenomenon. As far back as 1775—when a Marine private was paid \$6.66 a month and issued a daily ration of grog—it was reckoned he simply couldn't afford a wife. Today, recruiters in all services refuse to take a man who has more than one dependent. But this regulation hardly affects what happens after a man enters the service—nor does it help draftees. Military wage hikes have been keeping pace with civilian raises since 1962, yet the historic gap between the two categories remains wide. At present, a bill calling for a 5.6 per cent raise for all military personnel sits in the Senate awaiting approval. If passed, however, the bill would add a mere \$5 to \$7 to monthly family allotments up to the grade of E-5.

"The married enlisted man's salary," says a Pentagon official, "never drops below the poverty level." But that would seem to depend on one's interpretation of poverty. For example, a lance corporal (E-3) in the Marine Corps is expected to support a wife and one child on a total of \$204.90 a month. Still worse is the fate of the private with one dependent and less than two years in service. Each month, he draws \$152.10 which, in Camp Pendleton, Calif., is \$38.90 less than he would receive on welfare.

BUDGET

Aside from free medical attention, the low grocery prices at the commissary are the only substantial assistance to the family budget. "Thank God for it," says Cpl. George Hardy of Fort Jackson, S.C., who lives with his German-born wife, Ericka, and their three boys in a clapboard cottage in Columbia, S.C. He claims the commissary prices are about half those of the off-base supermarkets. But this advantage is too often offset by the general cost of living. Some off-base landlords, for instance, offer ramshackle housing for a premium price. Outside Fort Dix, N.J., drab one-room apartments rent for \$80 a month.

For many families, the only answer is moonlighting. "Every married airman I knows," says Master Sgt. Joe Hayden of Otis Air Force Base on Cape Cod, Mass., "has an outside job, or his wife works." The official figure for moonlighting Air Force personnel is 68 per cent. Marine Cpl. Mike Morello, 20, works twenty a week as a police dispatcher in San Francisco, while 20-year-old Petty Officer 3/c Bill Scarborough, of San Diego, knocks \$10 a month off his rent by mowing the lawn of his landlord—a Navy yeoman.

The married enlisted man's manifold pressures often prove unbearable. In Rhode Island, Navy brass blew their top upon learning that a number of married enlisted men from Quonset Point and Davisville Naval

Station had applied to local welfare agencies for extra food. In San Diego, officers speak wearily of married men going AWOL to work full time to feed their families.

Ironically, one partial solution for many is to re-enlist. Dangling before Boilerman 3/c Taylor is a \$5,400 bonus payable upon re-enlistment when his present four-year hitch is up. Bill has already made his decision. "When I ship over," he says, "we'll be able to pay off all our debts. Then, I guess I might just as well keep going."

UNIFORMED SERVICES PAY ACT OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 793, H.R. 13510.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 13510) to increase the basic pay for members of the uniformed services, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments, on page 4, line 4, after the word "equal" strike out "yearly installments" and insert "annual or semiannual installments, as determined by the Secretary of Defense or the Secretary of Health, Education, and Welfare, as appropriate"; in line 16, after the word "was" strike out "made." and insert "made."; after line 16, insert:

(c) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall submit separate written reports each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by subsection (a) of this section and, whenever such special pay program is to be continued in operation, such report shall include the justification for continuing such program. Reports under this section shall be made on a calendar year basis, beginning with the calendar year 1968, and the reports for any calendar year shall be submitted not later than April 1 of the succeeding calendar year.

On page 8, line 6, after the word "became" strike out "effective." and insert "effective."; after line 6, insert:

(e) Notwithstanding subsections (c) and (d), the adjusted retired pay or retainer pay of a member or former member of an armed force retired on or after September 30, 1967, may not be less than it would have been had he become entitled to retired pay or retainer pay based on the same pay grade, years of service for pay, years of service for retired or retainer pay purposes, and percent of disability, if any, on the day before the effective date of the rates of monthly basic pay on which his retired pay or retainer pay is based.

On page 9, line 14, after the word "who" insert "initially"; in the same line after the word "hereafter" insert "initially"; at the top of page 12, strike out:

SEC. 5. (a) Section 511 of the Career Compensation Act of 1949, as amended (66 Stat. 80; 70 Stat. 114), is amended by adding the following new sentences at the end thereof: "Any officer who was retired for age or length of service under laws in effect prior to Oc-

tober 1, 1949, and who was entitled, under those laws, to count inactive service in the computation of his retired or retirement pay shall hereafter be entitled to count such inactive service in the computation of his retired or retirement pay to the same extent as if he had been retired after October 1, 1949, but prior to June 1, 1958. However, the preceding sentence does not apply to an officer whose retired pay is computed under paragraph 4 of section 15 of the Pay Readjustment Act of 1942 (ch. 413, 56 Stat. 368) or under the third proviso of section 5 of the Act of July 31, 1935 (ch. 422, 49 Stat. 507), as amended by section 3 of the Act of June 13, 1940 (ch. 344, 54 Stat. 380)."

(b) To accrue rights, under this section, a person who is entitled to retired pay on the effective date of this Act must file an application with the Secretary of the military department concerned.

At the beginning of line 22, change the section number from "6" to "5"; on page 13, at the beginning of line 10, change the section number from "7" to "6"; at the beginning of line 13, insert "or after"; at the beginning of line 16, change the section number from "8" to "7"; in line 17, after the word "section" strike out "7" and insert "6"; on page 14, at the beginning of line 4, change the section number from "9" to "8"; and on page 15, strike out:

SEC. 10. Section 410 of title 37, United States Code, is amended by adding the following new subsection:

"(c) Under regulations to be prescribed by the Secretary of Defense and by the Secretary of Transportation (with respect to the Coast Guard when it is not operating as a service in the Navy), a member of an armed force who, upon completion of a tour of duty in an area described in section 310(a)(2) of this title, is authorized to use leave accrued to him under section 701 of title 10, is entitled to be transported at the expense of the United States to his home of record for the purposes of that leave and thence to his assigned duty station. However, no member is entitled to transportation at the expense of the United States under this section for travel outside the United States unless he is a bona fide resident of the place outside the United States that is selected by him under this section."

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I desire to outline briefly the salient features of the bill that has just been motioned up by the majority leader.

Mr. President, the pending bill, H.R. 13510, increases the basic pay for members of the Armed Forces and provides for a number of other minor changes in military compensation.

PRINCIPAL PURPOSE TO PROVIDE A MILITARY PAY INCREASE COMPARABLE TO THAT HAS JUST PASSED THE SENATE FOR FEDERAL CIVILIAN PERSONNEL

Mr. President, the principal purpose of this bill is to provide our men and women in uniform with an increase comparable to the 4.5-percent increase which has been recommended by both the Senate and House for Federal classified employees.

The bill provides for such a comparable increase by authorizing a flat 5.6-percent increase in basic pay for all members of the uniformed services.

This increase to 5.6 percent in basic pay does not mean that they would re-

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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WASHINGTON, D. C. 20250
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POSTAGE AND FEES PAID
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OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

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For actions of November 30, 1967
90th-1st; No. 195

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HIGHLIGHTS: Senate concurred in House amendment to bill removing interest-rate limit on land-bank and cooperative-bank loans. Senate subcommittee approved bills for pine-gum price support and peanut-allotments transfer. House passed commodity exchange bill. House subcommittee approved grains standards bill.

SENATE

1. **LOANS.** Concurred in the House amendment to S. 2565, to remove the 6% interest-rate limit on land-bank and cooperative-bank loans. This bill will now be sent to the President. p. S17415
Sen. Griffin criticized the FHA program of loans for water and waste-disposal systems in rural areas. pp. S17394-8
2. **PINE GUM; PEANUTS.** A subcommittee of the Agriculture and Forestry Committee approved with amendment S. 2511, to provide price supports on crude pine gum,

and without amendment H. R. 11565, to authorize farmers to sell or lease their peanut acreage allotments. The full committee is to consider these bills Dec. 6. p. D1084

3. SUGAR AGREEMENT. The Foreign Relations Committee ordered favorably reported (but did not actually report) the International Sugar Agreement (Ex. K). p. D1084
4. PUBLIC LANDS. Passed as reported H. R. 12121, to continue the Public Land Law Review Commission. pp. S17404-5
5. CONGRESSIONAL ORGANIZATION. Agreed to without amendment S. Res. 188, to continue the Special Senate Committee on Organization of Congress through Jan. 1968. pp. S17401-2
6. CIVIL RIGHTS. Agreed to the conference report (H. Rept. 992) on H. R. 10805, to continue the Civil Rights Commission for 4 additional years (p. S17458). The House received this report (p. H16137).
7. FOOD PROBLEM. Sen. Miller inserted a speech by Mrs. Frances Humphrey Howard, "The Crucial Food/Population World Problem." pp. S17417-19
8. MONETARY POLICY. Sen. Proxmire inserted and commended an editorial asking the Federal Reserve System to slow the increase in the money supply. p. S17428
9. NATIONAL PARKS. Concurred in the House amendment to S. 814, to establish a National Park Foundation to encourage gifts for the National Park Service. This bill will now be sent to the President. pp. S17422-3
Sen. Metcalf deplored continued logging in the McArthur-Elam Creek area, which is being considered for the proposed Redwood National Park. p. S17426
10. EDUCATION. Agreed to without amendment H. Con. Res. 487, to authorize the report, "Study of the U. S. Office of Education," to be printed as a H. Doc. p. S17402
H. R. 7819, the elementary and secondary education bill, was made the pending business. pp. S17562-5

HOUSE

11. COMMODITY EXCHANGE ACT. Passed as reported H. R. 13094, to make various amendments to the Commodity Exchange Act. pp. H16071-6, H16083-7, H16117-8
12. PAY BILL. Conferees were appointed on H. R. 7977, to increase postal rates and the salaries of Federal employees. Senate conferees have been appointed. p. H16089
13. GRAIN STANDARDS. The Daily Digest states that a subcommittee of the Agriculture Committee approved a clean bill in lieu of H. R. 11162, to provide for standards and a national inspection system for grain. pp. D1085-6
14. FOREIGN AID. Reps. Passman and Gross criticized the increase approved by the Senate in the foreign aid appropriation bill. pp. H16068-9

tem had been taken even though it was based on only marginal and time-limited considerations, the calls immediately came for heavier investment in new weapons in order to build some form of successful thicker defense—regardless of whether it is feasible or not, regardless of the cost to world security, and regardless of the cost in American resources. It was not a matter of rational examination and thoughtful disagreement; it was rather an immediate assumption in many quarters that the limited ABM decision was civilian and, therefore, defeatist. More important, there was a ready willingness to accept the idea that the military mentality, which is trained to think in terms of military solutions to all problems, would necessarily provide better and truer guidance.

Lest anyone question the presence and the crystallization of such attitudes—in last night's press a syndicated columnist carried this type of thinking to its logical and emerging conclusion. The column was entitled "Should (A) Civilian Run the Pentagon?" This article said that—

The Vietnam war probably would have reached a decisive stage long before this if the civilian point of view had not been preponderant.

It claimed that a man not trained in military science could not be fit to head the Military Establishment and to participate in the high councils of policy-making when questions of war are involved. The article concluded with the thought that—

The appointment of a new Secretary of Defense, therefore, solves only a part of the problem . . . Congress has failed thus far to define the authority of the military chiefs.

Many who see the folly of this view tend to dismiss this kind of comment as simply misguided. However, I fear that this kind of editorial comment will find ready acceptance in many quarters. In fatigue and desperation about the war, too many have lost sight of the fact that questions of war and peace concern all Americans—not merely the military chiefs. For example, if it is determined that certain military actions in Vietnam might risk an undesirable war with China, then no policy that the military chiefs may devise, no matter how clever from a military point of view, must be permitted to lead to such a war. It is fundamental in this country that the military are the servants of the people—not their masters. They must devise military strategies which carry out our basic goals, not supersede or alter them. Without this premise, much of what we value in American life will disappear. I think that this is one of the gravest questions that confront us today.

ALERTNESS OF THE POSTAL SERVICE

(Mr. DANIELS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELS. Mr. Speaker, it always seems to be open season on the U.S. postal service. Criticism of this Department of our Government always seems to be in order. On the other hand, only

rarely does anyone take the time to give credit where credit is due. It is only fair as I see it, to give praise as it is to find fault.

Mr. Speaker, this morning a letter with a postmark indicating that it was mailed only 2 days ago arrived in my office. The letter in question was mailed from Jersey City. The only address it bore was "Mr. DOMINICK V. DANIELS, 14th District." There was nothing on the letter to identify me as a Member of Congress, yet, 2 days later it arrived in my office in the Cannon House Office Building.

I think the alertness shown was typical of the postal service and is the kind of thing done everyday by these men and women who are public servants in the best sense of the world.

I would like to publicly congratulate Jersey City Postmaster William Hefferman and the dedicated men and women of the Jersey City post office and all postal employees along the line who made sure that this letter arrived where it was intended. I would like them to know that their fine day-to-day efforts do not go unnoticed.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967—APPOINTMENT OF CONFEREES

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7977), to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, with a Senate amendment thereto, disagree with the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. DULSKI, HENDERSON, OLSEN, UDALL, DANIELS, CORBETT, GROSS, CUNNINGHAM, and JOHNSON of Pennsylvania.

CONGRESSMAN FRANK HORTON INTRODUCES BILL TO RESTRICT THE INTERSTATE SALE OF AUTOMOBILE MASTER KEYS

(Mr. HORTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HORTON. Mr. Speaker, I am today introducing a bill to prohibit the interstate sale of automobile master keys except to those people, such as law-enforcement officers, who have a legitimate need for such keys.

Each of us has long been aware that auto theft rates are skyrocketing and that to at least some extent thieves are using master keys to accomplish their crimes. However, I suspect that many of our colleagues do not realize the ease with which master keys may be acquired.

I first began to appreciate the magnitude of this problem when William Lombard, the Rochester, N.Y., chief of police, forwarded to me a copy of a letter he received from a Rochester businessman, Mr. William Denise, complaining about

the ready availability of automobile master keys. Mr. Denise included in his letter to Chief Lombard a widely circulated advertisement which both surprised and distressed me. The advertisement offered to supply master keys for every make and model of American automobile to anyone who could afford the \$10 purchase price.

These advertisements are distributed indiscriminately and it does not appear that any effort is made to screen the mail-order purchases of these keys in order to assure that the keys do not fall into the hands of potential auto thieves.

I believe it is imperative that we act immediately to halt the movement of these keys in interstate commerce unless they are being purchased by persons with a demonstrably legitimate need for the keys. I urge my colleagues to study the bill I have introduced today and join me in supporting this very simple measure to make auto theft more difficult.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the agenda for the rest of this week and the program for next week.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader, we have no further legislative business this week.

The only program I am prepared to announce for next week is the Consent Calendar, the Private Calendar, and suspensions.

Monday is Consent Calendar day and there are 12 suspensions:

H.R. 13833, to name the post office and Federal office building, Bronx, N.Y., in honor of the late Charles A. Buckley; S. 343, to name the Federal office building, Detroit, Mich., in honor of the late Patrick V. McNamara;

H.R. 11276, to authorize appropriations for the Adult Education Act of 1966 for 2 additional years;

H.R. 13054, Age Discrimination in Employment Act of 1967;

H.R. 25, to preserve and develop estuarine areas of the Nation;

H.R. 13798, to improve certain benefits for employees who serve in high-risk situations;

H.R. 470, to authorize an international bridge at Pharr, Tex.;

S. 320, to release restrictions on land in North Carolina;

S. 1136, to increase the timber survey authorization;

H.R. 12639, to remove certain limitations on ocean cruises;

Senate Joint Resolution 101, to provide for the restoration and return to the United States of the ship *Kaulani*; and

H.R. 13273, to amend the Marine Resources and Engineering Development Act of 1966.

As I indicated previously, Tuesday is Private Calendar day.

I have no further program to announce at this time, but I will advise Members that any further program may be announced later, and that conference reports may be brought up at any time.

Mr. GERALD R. FORD. Will the gentleman from Oklahoma yield?

Mr. ALBERT. I yield to the minority leader.

Mr. GERALD R. FORD. Mr. Speaker, in the list I have before me I do not have a bill, which was mentioned by the distinguished gentleman from Oklahoma, between H.R. 13054, the Age Discrimination in Employment Act of 1967, and H.R. 13798, to improve certain benefits for employees who serve in high-risk situations.

Mr. ALBERT. Mr. Speaker, I think the gentleman has been erroneously given a copy of an earlier list. I have sent the gentleman the correct list, which he has now.

Mr. GERALD R. FORD. Mr. Speaker, I thank the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I thank the gentleman for calling that to my attention.

ADJOURNMENT TO MONDAY, DECEMBER 4, 1967

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNES- DAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed on Wednesday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CAPITOL HILL PROJECT—CHRIST- MAS GIFTS FOR SERVICEMEN

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, I am pleased to announce the Capitol Hill project of Christmas gifts for servicemen in Vietnam just completed, was a gratifying success due to the efforts of many hard-working employees of Members of Congress and the fine cooperation and assistance from numerous other individuals, offices and organizations.

As you know the project began several weeks ago with an idea presented by one of my staff members, Mrs. Evelyn Pall, and enthusiasm for it spread all over Capitol Hill with the result that 102 cartons containing about 1,500 individual gifts and many, many items for general use were shipped off by air last Monday.

These gifts are roughly valued at about \$5,000.

The persons who devoted many, many hours to this project are far too numerous to mention individually, but I feel there are certain ones who should be given a special word of thanks.

Each of the five congressional buildings—both Senate and House of Representatives—had its own volunteer workers who called other offices and encouraged cooperation. I am told they did a fine job collecting gifts and contributions.

In the Longworth Building Mrs. Nina Sullivan, aided very ably by her husband Mike, organized a very efficient group of volunteers. Mrs. Sullivan can be given credit for obtaining the services of Bekins Van Line who transported the gift cartons free of charge to Dulles Airport. Mr. and Mrs. Sullivan also set up a bank account for the funds collected and arranged for Representatives ICHORD and GETTYS to serve as trustees.

American Airlines transported the gifts to San Francisco without charge, and for that we can thank Miss Susan Mathews, of Representative GIAMMO's office. Pan American took the gifts on to Vietnam without charge and this was arranged by my staff member, Mr. John Hvasta.

Our thanks should go also to the people in the folding rooms who gave a great deal of assistance and to you, Mr. Speaker, for the use of a storeroom and to the office of the building superintendent for fine cooperation and help, as well as personnel in the mailroom.

Interest in this activity spread beyond the Hill for Mrs. Fisher, of Arlington, Va., and Mrs. Barbara Taylor, of Suitland, Md., gave so willingly of their service although not employees on the Hill. Mrs. Fisher came in 2 days and spent hours packing gifts in cartons, sealing and tying them. Mrs. Taylor put in many hours on the telephone spreading the word of the project.

I am including here a letter giving a report on the wrapup of the Christmas gift project, a letter which went out of my office to all congressional offices:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 30, 1967.
Members of Congress and Their Office Staff Members.

DEAR FRIENDS: Monday morning, November 27, 102 cartons containing an estimated 1500 gifts for servicemen in Vietnam were loaded aboard an American Airlines plane at Dulles Airport and started on their way to San Francisco to be received by Pan American Air Ways and flown on to Vietnam. The total value of the gifts was at least \$5,000.

In Vietnam the gifts were to be met by military personnel and labeled with postage-free labels corresponding to labels placed on them before they left here. The address labels were for remote units in Vietnam and were supplied by the Department of Defense.

The gifts were those donated by employees in Congressional offices in response to a suggestion circulated about two weeks ago. Many people from offices in all five of the Congressional buildings—House and Senate—worked long, hard hours on this project but we felt the resulting response was certainly worth the effort. And we extend our sincere thanks to all of you who so willingly contributed to the project.

In addition to the individual gifts the cartons contained many, many items for general use, i.e., an imitation Christmas tree, a large hand-made candy wreath, football and pump, soft balls, many game boards, a ukelele. Bekins Van Line as a gesture of good-will picked up the cartons and transported them without charge to Dulles to be loaded aboard the American plane. Both airlines also very kindly transported the gifts without charge. Thus we were saved postage expense and the funds collected were spent entirely on gifts.

Again we say thank you for responding so generously. We feel that through your generosity the "Christmas Gifts for Vietnam" was truly a success.

Sincerely yours,

EVELYN PALL,

Staff Member,

Office of Congressman Paul Findley.

GOOD JOBS AND DECENT HOUSING ONLY CURE FOR CRISIS IN CITIES

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. FEIGHAN. Mr. Speaker, in testimony before the National Advisory Commission on Civil Disorders recently, AFL-CIO President George Meany spelled out an extensive and diverse list of organized labor's efforts to meet both the immediate and long-range urgent needs of America's cities, and the people who live and work in them. I think Mr. Meany has correctly pinpointed the fact that despite everything that the labor movement and enlightened private industry can do, the urban crisis will defy solution unless the Federal Government meets its unavoidable obligation to lead with courage, imagination, and determination.

Mr. Speaker, Mr. Meany's testimony should be carefully considered by every American, and I now include it at this point in the RECORD:

GOOD JOBS AND DECENT HOUSING ONLY CURE FOR CRISIS IN CITIES

Mob violence, arson, looting and murder are indefensible in a free society. They are not civil rights demonstrations. They are criminal acts, whose only result will be anarchy on the one hand and worse suppression on the other.

But these desperate acts must be viewed in the context of the conditions that without doubt contribute to civil disorder.

And therefore, we in the AFL-CIO believe that this commission should properly consider not only the acts, but what lies behind them.

Hope for thousands upon thousands in the cities of America today means one thing—a decent job. There is a pressing need for the swift creation of one million new jobs for persons now unemployed or seriously underemployed—good jobs at useful work on needed government or other non-profit projects.

Immediately behind jobs comes housing. It is second, rather than first, only because a regular, earned income is so basic to the pride and dignity of the family breadwinner. But housing—bad housing, unbelievably bad housing, overcrowded by humans and overrun by rats, sweltering in the summer and frigid in winter; dilapidated tenements huddled together, with garbage-strewn alleys, broken steps, peeling walls and stench-ridden halls—was and is a source of urban violence.

Sec 7, 1967

The substitute as agreed upon in conference would establish a mandatory reduction in the obligations of each civilian department and agency of the Executive Branch in fiscal 1968 by an amount equal to 2 percent of obligations estimated in the budget for personnel compensation and benefits, plus an amount equal to 10 percent of estimated budget obligations for other controllable items. Where Congress has reduced the appropriations of a department or agency by more than the amounts specified in the 2% plus 10% formula, the more restrictive Congressional action would prevail.

The substitute as agreed upon in conference is specific as to amounts of reductions to be made at the department or agency level. The allocation of the reductions within the various departments and agencies would be determined by the officials of the departments and agencies, and would be subject to the approval of the President. Personnel reductions are not absolutely mandatory, although undoubtedly in many cases reductions will be made in civilian compensation costs. Departments and agencies may choose to cut other expenses an amount equal to 2 percent of personal services estimates and maintain personnel levels. Of course, no individual employee's salary will be reduced by the operation of this title.

12. POVERTY. Received the conference report on S. 2388, the poverty bill (H. Rept. 1012). pp. H16505-32
13. POSTAL RATES; PAY INCREASE. Received the conference report on H. R. 7977, to increase postal rates and salaries of Federal employees (H. Rept. 1013) (pp. H16532-48). The bill would increase salaries of Federal employees effective Oct. 1, 1967, increase postal rates effective Jan. 7, 1968, increase life insurance benefits for Federal employees, and establish a Presidential commission on salaries.
14. WILDERNESS. The conferees agreed to file a report on S. 889, the San Rafael Wilderness bill. The Daily Digest states that "the House would accept the Senate version of the bill." p. D1108
15. WHEAT ALLOTMENTS. The Agriculture Committee ordered reported (but did not actually report) S. 1722, to provide for adjustment of wheat allotments in counties where wheat is the principal grain crop and where allotments are low in relation to cropland because farmers shifted prior to 1951 from wheat to an alternative crop or crops which have proved unprofitable because of plant disease or sustained loss of markets and there is no alternative income-producing crop. p. D1107
16. RURAL DEVELOPMENT. Rep. Blanton inserted a speech by Secretary Freeman on revitalizing rural America by reversing the migration from the farm to the city. pp. H16496-8
Rep. Randall inserted a speech by Sen. Pearson urging increased rural development programs. pp. H16475-6
17. WATER RESOURCES. Rep. Waldie urged improved use of water resources in Calif. pp. H16460-1
18. ECONOMY; SPENDING. Rep. Nelsen inserted the results of a Minn. opinion poll which favored a cut in Federal spending. p. H16482

19. ECONOMY; TAXATION. Rep. Multer inserted an article in favor of the proposed tax increase. p. H16490
20. FARM LABOR. Rep. Nelsen inserted an editorial critical of the Labor Department order relating to farm youth employment. p. H16483
21. NATIONAL GRANGE. Rep. Boland congratulated the National Grange on the celebration of its 100th anniversary. pp. H16493-4
22. FARM INCOME. Rep. Hamilton urged improved programs to increase farm income. pp. H16501-3
23. LEGISLATIVE PROGRAM. Rep. Albert announced the legislative program for next week which includes the following: Mon., conference report on H. J. Res. 888, to continue appropriations; H. R. 7977, postal rate and Federal salary increases; and S. 2388, the poverty bill. Tues. and balance of week; the supplemental appropriation bill; and conference report on H. R. 12080, the social security bill. pp. H16457-8
24. ADJOURNED until Mon., Dec. 11. p. H16549

ITEMS IN APPENDIX

25. OPINION POLL. Rep. Griffiths inserted the results of an opinion poll including items of interest to this Department. pp. A6038-9
26. FARM PROGRAM. Rep. Gathings inserted an article, "The Farmer: A Vital Member of our Society." pp. A6040-1

BILLS INTRODUCED

27. COMMODITY RESERVES. S. 2743 by Sen. Monroney and H. R. 14329 by Rep. Purcell, to provide for the establishment and maintenance of reserve stocks of agricultural commodities by producers and the Commodity Credit Corporation for national security, public protection, meeting international commitments; to Agriculture and Forestry Committee. Remarks of Sen. Monroney, pp. S18049-50
H. R. 14337 by Rep. Kleppe, to establish producer owned and controlled emergency reserves of wheat, feed grains, and soybeans; to Agriculture Committee.
28. DISASTER LOANS. H. R. 14339 by Rep. Nichols and others and H. R. 14342 by Rep. Whitten, to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such act to farmers who have suffered severe production losses as the result of a national disaster; to Agriculture Committee.
29. TAXATION. H. R. 14340 by Rep. Talcott, to provide for the establishment of a Commission on Revision of Federal Taxation; to Ways and Means Committee.
30. FOOD. S. 2749 by Sen. Eastland, to amend the Food, Drug, and Cosmetic Act to include a definition of "food supplement,"; to Labor and Public Welfare Committee.
31. FORESTRY. S. 2751 by Sen. Hatfield, to designate the Mount Jefferson Wilderness, Willamette Deschutes, and Mt. Hood National Forest, in the State of Oregon; to Interior and Insular Affairs Committee.

POSTAL RATES AND FEDERAL SALARIES

DECEMBER 7, 1967.—Ordered to be printed

Mr. DULSKI, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 7977]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Postal Revenue and Federal Salary Act of 1967".

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

(b) Section 4251(a) of title 39, United States Code, is amended by striking out "and (4)" and inserting in lieu thereof "(4) bills and statements of account, and (5)".

(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones"					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.....	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.....	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.....	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.....	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.....	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.....	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.....	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.....	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

<i>"Zones"</i>	<i>Rate</i>
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80";

(2) by deleting paragraph (2); and

(3) by striking out in paragraph (5), subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (i) in an overseas area designated by the President under section 4169 of this title or (ii) in an isolated, hardship, or combat support area overseas, or where adequate surface transportation is not available; and

"(C) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

(c) Section 4303(f) of title 39, United States Code, is amended by striking out "the Virgin Islands or the Canal Zone" wherever appearing therein and inserting in lieu thereof "or the Virgin Islands".

(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word "eight" and inserting in lieu thereof the figure "7".

SECOND-CLASS MAIL PREFERRED RATES

SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

"[In cents]

	<i>"Mailed during calendar year 1968"</i>	<i>Mailed during calendar year 1969</i>	<i>Mailed after Dec. 31, 1969</i>
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2";

(2) by adding at the end thereof the following:

“(d)(1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

“[In cents]

	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2-----	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3-----	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4-----	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5-----	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6-----	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7-----	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8-----	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion----	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece----	.13	.15	.2	.2	.2	.2

“(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

“(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

“(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

“(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

“(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

“(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

“(j) As used in this section—

“(1) ‘classroom publication’ means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

“(2) ‘a publication of a qualified nonprofit organization’ means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans’, fraternal, and associations of rural electric cooperatives, program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

“(3) ‘zones’ means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.”; and

(3) by amending the section heading to read as follows:

“§ 4358. Rates of postage; preferred”.

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

“4358. Postage rates within county of publication.”

and inserting in lieu thereof—

“4358. Rates of postage; preferred.”.

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

“(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

[“In cents”]

	“Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2-----	4.6	4.9	5.2
Zone 3-----	5.7	6.0	6.4
Zone 4-----	7.8	8.3	8.8
Zone 5-----	9.9	10.5	11.1
Zone 6-----	12.0	12.8	13.6
Zone 7-----	12.8	13.7	14.6
Zone 8-----	15.0	16.0	17.0
Nonadvertising portion-----	3.0	3.2	3.4
Minimum charge per piece-----	1.1	1.2	1.3.

“(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

“(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by

air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, but the total of such charges and the lawfully required postage shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title."; and

(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4359. Postage rates beyond county of publication."

and inserting in lieu thereof—

"4359. Rates of postage; regular.".

(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out "bills,".

(d) Section 4369(a)(4) of title 39, United States Code, is amended by striking out " : Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General".

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8".

THIRD-CLASS MAIL

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

“(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

“Type of mailing	Rates		Unit
	Mailed during calendar year 1968	Mailed after June 30, 1969	
	Cents	Cents	
(1) Individual piece -----	6.0	6.0	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—	2.0	2.0	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter -----	22.0	22.0	Do.
(C) Minimum charge of -----	3.6	4.0	Per piece.

After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first 250,000 pieces mailed during a year. For such purpose, the number of pieces mailed during a year shall be the aggregate of the pieces mailed under item (2) (A), (B), and (C) of the above table.

“(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided in the table under subsection (a), rounded off to the nearest one-tenth cent.”.

(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

“(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

“(1) books, including books issued to supplement other books, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books;

“(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;”;

(2) by striking out in subsection (b)(1) “4 cents for the first pound or fraction thereof and 1 cent for each additional pound or

fraction thereof" and inserting in lieu thereof "5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof";

(3) by inserting in subsection (b)(1)(B) "museums and herbaria," immediately following public libraries,";

(4) in subsection (b)(2) by striking out "and" at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof "; and"; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria.";

(5) by inserting in subsection (c) "or narrower width" immediately following "16-millimeter", and "museum materials, specimens, collections, teachings aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria," immediately following "sound recordings,"; and

(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

(b) Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting "playscripts and" immediately following "(6)".

(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§4554. Books, films, and other materials; preferred rates".

(d) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films."

and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates."

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof".

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

SEPARATION BY MAILER OF SECOND-CLASS MAIL

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

“§ 4363. Separation by mailer of second-class mail

“The Postmaster General may require publishers and news agents to separate, make up, and address second-class matter in such manner as he directs in accordance with a 5-digit ZIP code system.”.

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

“(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.”.

ADDITIONAL ENTRY POINTS

SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

“(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry.”.

MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

“§ 4653. Matter for blind and other handicapped persons

“(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

“(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

“(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

“(3) the matter may be opened by the Postmaster General for inspection;

“(4) the matter contains no advertising; and

“(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

“(b) The free mailing privilege provided by subsection (a) is extended to—

“(1) reading matter and musical scores;

“(2) sound reproductions;

“(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

“(4) reproducers or parts thereof, for sound reproductions; and

“(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

“§ 4654. Unsealed letters sent by blind or physically handicapped persons

“Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

“§ 4655. Markings

“All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words ‘Free Matter for the Blind or Handicapped’, or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area.”

(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

“4653. Publications for the blind.

“4654. Reproducers and sound reproduction records for the blind.”

and inserting in lieu thereof—

“4653. Matter for blind and other handicapped persons.

“4654. Unsealed letters sent by blind or physically handicapped persons.

“4655. Markings.”

(c) Section 4451(d) of title 39, United States Code, is repealed.

PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

(1) by striking out “and” at the end of clause (9);

(2) by striking out the period at the end of clause (10) and inserting in lieu thereof “; and”; and

(3) by adding at the end thereof:

“(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed.”

REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

“§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.

“(a) For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

“(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the

Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.”.

(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

“4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.”

immediately below—

“4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.”.

PARCEL AIRLIFT

SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

“§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices.

“Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers.”.

(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

“4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices.”.

SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

“(c) Matter otherwise legally acceptable in the mails which—

“(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

“(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

“(A) the following notice: ‘This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account

due. You are not under obligation to make any payments on account of this offer unless you accept this offer.'; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATE

SEC. 119. This title shall become effective on January 7, 1968.

CONFORMING AMENDMENTS

SEC. 120. (a)(1) Subparagraph (A) of section 2303(a)(1) of title 39, United States Code, is repealed.

(2) Subparagraph (D) of such section is amended to read as follows:
 "(D) free postage on reading matter and other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title;"

(3) Subparagraph (I) is amended by striking out "educational".

(b) Section 4552(c) of such title is amended—

(1) by inserting "and" after the semicolon at the end of paragraph (4);

(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

(3) by striking out paragraph (6).

EDUCATIONAL TELEVISION

SEC. 121. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word "or", and by adding after item (10) the following new item:

"(11) program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

UNDELIVERED FIRST CLASS MAIL

SEC. 122. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows:

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for the nondelivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

TITLE II—FEDERAL SALARY INCREASES

SHORT TITLE

SEC. 201. This title may be cited as the "Federal Salary Act of 1967".

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE"

"Grade"	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1-----	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2-----	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3-----	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5-----	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6-----	6,187	6,382	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7-----	6,784	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8-----	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9-----	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10-----	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11-----	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12-----	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14-----	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15-----	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16-----	20,932	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17-----	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18-----	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b)(4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of

September 1, 1954, to constitute a part of the existing rate of pay of the employee.

(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out "salary levels 19 and 20" and inserting in lieu thereof "salary levels 20 and 21".

CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading "POSITIONS" is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) **Basic function.**—Performs a variety of light cleaning and house-keeping tasks in connection with the custodial maintenance of a postal installation.

"(2) **Duties and responsibilities.**—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and

partition glass and fixtures which can be reached without use of ladders or scaffolding.

“(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

“§ 3512A. Positions in salary level 2

“**Custodian. (KP-1)**

“(1) **Basic function.**—Performs manual laboring duties in connection with custody of an office or building.

“(2) **Duties and responsibilities.**—

“(A) Performs any combination of the following duties:

“1. Moves furniture and equipment.

“2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

“3. Loads and unloads supplies and equipment.

“4. Removes trash from work areas, lobbies, and washrooms.

“5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

“6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

“(B) May perform cleaning duties as assigned.

“(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.”.

(b) Each salary level number in the headings of sections 3513 to 3531, inclusive, of title 39, United States Code, and each other numerical reference to such salary level number in any other provision of such title (including the table of contents of chapter 45) which is not otherwise increased by this title, is increased by 1.

(c) Each employee in the postal field service on the date of enactment of this title, whose position is placed in salary level 2 of the Postal Field Service Schedule by reason of the enactment of this section and section 205(e)(1) of this title, shall remain in salary level 2 of such schedule so long as he remains in such position or occupies, without break in service of more than thirty days, a position of a comparable level of duties, responsibilities, and work requirements in such salary level. When the employee leaves any such position, the position shall be appropriately ranked in accordance with chapter 45 of title 39, United States Code.

(d) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

‘3512A. Positions in salary level 2.’

immediately below—

“3512. Positions in salary level 1.”.

POSTAL FIELD SERVICE EMPLOYEES

SEC. 205. (a) Section 3542(a) of title 39, United States Code, is amended to read as follows:

“(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be ‘PFS’. Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

"POSTAL FIELD SERVICE SCHEDULE I

“(To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below)”

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1-----	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2-----	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3-----	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4-----	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5-----	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6-----	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7-----	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8-----	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	
9-----	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756		
10-----	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558		
11-----	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546		
12-----	9,776	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781		
13-----	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127		
14-----	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668		
15-----	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295		
16-----	14,564	15,068	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082		
17-----	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130		
18-----	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401		
19-----	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510		
20-----	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840				
21-----	24,126	24,932	25,738	26,544	26,960							

"POSTAL FIELD SERVICE SCHEDULE II"

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1-----	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2-----	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3-----	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4-----	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5-----	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6-----	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7-----	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8-----	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	---
9-----	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	---	---
10-----	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	---	---
11-----	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	---	---
12-----	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	---	---
13-----	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	---	---
14-----	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	---	---
15-----	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	---	---
16-----	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	---	---
17-----	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	---	---
18-----	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	---	---
19-----	20,625	21,310	22,095	22,880	23,665	24,050	24,735	25,420	26,105	26,790	---	---
20-----	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182	---	---	---	---
21-----	25,333	26,179	27,025	27,871	28,717	---	---	---	---	---	---	---

(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

“(a) There are established basic compensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be ‘RCS’. Compensation shall be paid to rural carriers in accordance with such schedules.

"RURAL CARRIER SCHEDULE I

"[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

[illegible]

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25"

(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary

step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

(e) *The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:*

(1) *Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.*

(2) *Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.*

(3) *If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.*

(4) *If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.*

(f) *The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.*

(g) *The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:*

(1) *Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.*

(2) *If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.*

(h) *Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.*

(i) *The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—*

“3544. Fourth Class Office Schedule.”

and inserting in lieu thereof—

“3544. Compensation of postmasters at fourth-class offices.”.

CONFORMING AMENDMENTS

SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out "(3) revenue unit category, with respect to the Fourth Class Office Schedule." and inserting in lieu thereof "(3) minimum hours of service with respect to postmasters in fourth-class post offices."

(b) Section 3560(f) of title 39, United States Code, is amended by striking out "(1) reductions in class or revenue unit category of any post office, or" and inserting in lieu thereof "(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or".

(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out "level PFS-10" and "level PFS-11", wherever appearing therein, and inserting in lieu thereof "level PFS-11" and "level PFS-12", respectively. Subsection (g) of section 3573 is amended by striking out "PFS-17" and inserting "PFS-18".

(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out "level PFS-15" and inserting in lieu thereof "level PFS-16".

(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

SPECIAL SALARY RATE RANGES

SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out "seventh pay rate" and inserting in lieu thereof "maximum pay rate".

(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION

SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b)(1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

"Class 1-----	\$24,944	\$25,776	\$27,055	-----	-----	-----	-----
Class 2-----	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
Class 3-----	16,616	17,170	17,724	18,278	18,832	19,386	19,940
Class 4-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207
Class 5-----	11,120	11,491	11,862	12,233	12,604	12,975	13,346
Class 6-----	9,267	9,576	9,885	10,194	10,503	10,812	11,121
Class 7-----	7,816	8,076	8,336	8,596	8,856	9,116	9,376
Class 8-----	6,734	6,959	7,184	7,409	7,634	7,859	8,084"

(b) *The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The per annum salaries of such staff officers and employees within each class shall be as follows:*

"Class 1-----	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
• Class 2-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3-----	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4-----	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5-----	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6-----	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7-----	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8-----	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9-----	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489".

(c) *Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.*

AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

SALARY RATES FIXED BY ADMINISTRATIVE ACTION

SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United

States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide shall—

(1) *effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—*

(A) *by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or*

(B) *by 3 per centum, whichever is greater; and*

(2) *effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code. Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—*

(i) *the President pro tempore of the Senate, with respect to the United States Senate;*

(ii) *the Speaker of the House of Representatives, with respect to the United States House of Representatives;*

(iii) *the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;*

(iv) *the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and*

(v) *the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).*

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

JUDICIAL BRANCH EMPLOYEES

SEC. 213. (a) *The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensa-*

tion are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

“The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5.”

(e) Section 792(b) of title 28, United States Code, is amended by striking out “\$26,000” and inserting in lieu thereof “\$29,000”.

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby

increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term "officer" does not include a Senator.

(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice

under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out "\$180" and inserting in lieu thereof "\$188".

(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;
"\$212,440 if such population is 3,000,000 but less than 4,000,000;
"\$223,720 if such population is 4,000,000 but less than 5,000,000;
"\$234,060 if such population is 5,000,000 but less than 7,000,000;
"\$245,340 if such population is 7,000,000 but less than 9,000,000;
"\$258,500 if such population is 9,000,000 but less than 10,000,000;
"\$271,660 if such population is 10,000,000 but less than 11,000,000;
"\$284,820 if such population is 11,000,000 but less than 12,000,000;
"\$297,980 if such population is 12,000,000 but less than 13,000,000;
"\$311,140 if such population is 13,000,000 but less than 15,000,000;
"\$324,300 if such population is 15,000,000 but less than 17,000,000;
"\$338,400 if such population is 17,000,000 or more."

(l) Section 105 of such Act is amended by striking out "\$1,080", "\$6,120", "\$10,620", "\$10,800", "\$14,220", "\$14,400", "\$15,660", "\$15,840", "\$18,180", "\$22,320", "\$23,400", and "\$24,480" wherever they appear in such section and inserting in lieu thereof "\$1,128", "\$6,392", "\$11,092", "\$11,280", "\$14,852", "\$15,040", "\$16,356", "\$16,544", "\$18,988", "\$23,312", "\$24,440", and "\$25,568", respectively.

(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading "SENATE" in the Second Deficiency Appropriation Act, 1948.

(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out "\$540" and inserting in lieu thereof "\$564".

(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c) (1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the

Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if—

“(A) the pay of one or more of the positions is fixed at a single gross per annum rate, and the aggregate gross pay from the positions exceeds \$6,256 a year, or

“(B) the pay of each such position is fixed at a basic rate plus additional compensation authorized by law, and the aggregate basic pay of the positions exceeds \$2,000 a year.

“(2) For the purpose of this subsection, ‘gross pay’ means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter.”.

(p) The third paragraph under the heading “Office of the Architect of the Capitol” and the subheading “Salaries” in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out “\$7,700” and inserting in lieu thereof “\$8,200”.

INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out “\$28,500” and inserting in lieu thereof “29,500”.

(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out “\$27,000” and inserting in lieu thereof “\$28,750”.

(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out “\$26,000” and inserting in lieu thereof “\$28,000”.

SALARY INCREASE LIMITATIONS

SEC. 216. Except as provided in sections 213 (d) and (e), 214, 215, and 219, and subject to the operation of section 225 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate for level V of the Executive Schedule in section 5316 of title 5, United States Code, in effect on or after the first day of the first pay period which begins on or after the date of enactment of this title.

UNCONTROLLABLE OVERTIME DUTY

SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out “not in excess of 15 percent,” and inserting in lieu thereof “not less than 10 percent nor more than 25 percent,”.

PAYMENT OF RETROACTIVE COMPENSATION

SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of

enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SALARIES OF LEGISLATIVE OFFICIALS

SEC. 219. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

(1) in subsection (b), by striking out "\$28,500" and inserting in lieu thereof "\$29,500";

(2) in subsection (c), by striking out "\$27,000" and inserting in lieu thereof "\$28,750";

(3) in subsection (d), by striking out "\$25,500" and inserting in lieu thereof "\$27,500"; and

(4) in subsection (e), by striking out "\$23,500" and inserting in lieu thereof "\$25,000".

EFFECTIVE DATES

SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 218, 221, 224 (a) and (b), and 225 shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

(b) *For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—*

(1) *all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment; and*

(2) *all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.*

EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

SEC. 221. (a) *Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:*

“§ 3110. Employment of relatives; restrictions

“(a) For the purpose of this section—

“(1) ‘agency’ means—

“(A) an Executive agency;

“(B) an office, agency, or other establishment in the legislative branch;

“(C) an office, agency, or other establishment in the judicial branch; and

“(D) the government of the District of Columbia;

“(2) ‘public official’ means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, advancement, in connection with employment in an agency; and

“(3) ‘relative’ means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

“(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

“(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

“(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting

from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

“(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible.”

(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

“3110. Employment of relatives; restrictions.”.

(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

TRAVEL STATUS

SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

“(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”.

(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

“(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”.

(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

(1) by adding at the end thereof the following new section:

“§ 5733. Expeditious travel

“The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel.”; and

(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

“5733. Expeditious travel.”.

(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: “Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”.

APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

“§ 5345. Position classification appeals.

On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

“(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

“(2) decide whether the position has been properly classified; and

“(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position.

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials.”.

(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

‘5345. Position classification appeals.’.

MISCELLANEOUS PROVISIONS

SEC. 224. (a) Section 4101(2)(B) of title 5, United States Code, is amended by striking out “Coast and Geodetic Survey” and inserting in lieu thereof “Environmental Science Services Administration”.

(b) Section 8339(e)(2) of title 5, United States Code, is amended to read as follows:

“(2) the greater of—

“(A) the final basic pay of the Member; or

“(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b)(1) of this title.”.

(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out “\$65,000” and inserting in lieu thereof “\$80,000”, and by striking out the fourth sentence therein and inserting in lieu thereof the following: “That annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.”.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

SEC. 225. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission on Executive, Legislative, and Judicial Salaries (hereinafter referred to as the “Commission”).

(b) MEMBERSHIP.—

(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

(B) *two appointed by the President of the Senate;*

(C) *two appointed by the Speaker of the House of Representatives;*
and

(D) *two appointed by the Chief Justice of the United States.*

(2) *The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.*

(3) *After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.*

(4) *A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.*

(5) *Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.*

(c) *PERSONNEL OF COMMISSION.—*

(1) *Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section—*

(A) *the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and*

(B) *with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.*

(2) *Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.*

(d) *USE OF UNITED STATES MAILS BY COMMISSION.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.*

(e) *ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.*

(f) *FUNCTION.*—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay of—

(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

(g) *REPORT BY COMMISSION TO THE PRESIDENT.*—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

(h) *RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.*—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term “budget” means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

(i) *EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.*—

(1) Except as provided in paragraph (2) of this subsection all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

(C) both.

(2) Any part of the recommendations of the President may in accordance with express provisions of such recommendations, be made operative

on a date later than the date on which such recommendations otherwise are to take effect.

(j) *EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.*—The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

(B) any prior recommendations of the President which take effect under this section.

(k) *PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.*—The recommendations of the President which take effect shall be printed in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

“§ 4009. Prohibition of pandering advertisements in the mails

“(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

“(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

“(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

“(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within

fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

“(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

“(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

“(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

“(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

“(i) For the purposes of this section—

“(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

“(2) the term ‘children’ includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.”.

(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

“4009. Prohibition of pandering advertisements in the mails.”.

SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

SEC. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows:

“(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly

by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,100	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000".

SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

“§ 8707. Employee deductions; withholding

“During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission.”.

SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

“(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him.”.

SEC. 404. Chapter 87 of title 5, United States Code, is amended—

(1) by adding the following new section:

“§ 8714a. Optional insurance

“(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

“(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than the greater of \$10,000 or an

amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

“(c)(1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

“(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

“(A) the full period or periods of service during which the optional insurance was available to him; or

“(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him; whichever is shorter, may be continued—

“(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

“(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

“(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

“(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

“(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title.”; and

(2) by inserting in the analysis of such chapter the following new item after item 8714:

“8714a. Optional insurance.”.

SEC. 405. (a) The amendments made by sections 401 to 403, inclusive, of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

(b)(1) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment, or on any earlier date that the Civil Service Commission may prescribe, which is at

least sixty days after the date of enactment. In the case of an employee who dies during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement, the period during which such optional insurance was available to such employee shall not be considered to have commenced prior to the expiration of sixty days following such effective date.

(c) The amendments made by sections 401 to 404, inclusive, of this Act shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment.

SEC. 406. The Employees Life Insurance Fund is available without limitation for expenses incurred by the Civil Service Commission in carrying out section 404 of this Act.

And the Senate agree to the same.

THADDEUS J. DULSKI,
DAVID N. HENDERSON,
ARNOLD OLSEN,
MORRIS K. UDALL,
DOMINICK V. DANIELS,
GLENN CUNNINGHAM,

Managers on the Part of the House.

MIKE MONRONEY,
RALPH W. YARBOROUGH,
JENNINGS RANDOLPH,
FRANK CARLSON,
HIRAM L. FONG,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7977) entitled "An act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment and that the Senate agree to the same.

The House bill consisted of three titles: Title I: Postal Rates; Title II: Federal Salary Increases; and Title III: Prohibition of Pandering Advertisements.

The Senate amendment consisted of four titles, the same three contained in the House bill plus the addition of Title IV: Federal Employees Life Insurance.

The conference substitute contains the same four titles.

The specific differences between the provisions of the House bill and the conference substitute are explained below under a separate heading.

TITLE I—POSTAL RATES

Based upon estimates of volume for fiscal year 1968 the House bill would have produced an additional \$889.6 million in postal revenue. The Senate amendment would have produced \$915.9 million. The conference substitute, when all rates are fully effective, will produce over \$900 million in additional postal revenue.

Both the House bill and the Senate amendment contained the same postage rates for first-class mail and airmail. The House bill and the Senate amendment differed in varying degrees on the postage rates in the other classes of mail and the differences have been resolved in the conference substitute as explained in detail later in this report.

The effective date for all the provisions in title I is January 7, 1968.

A table comparing the present postal rates, those proposed in the conference substitute, and the additional postal revenues to be realized from the new rates follows:

[1968 volume basis]

Mail class	Postage rate unit	Present rate	New rate—Effective date (cents)			New revenues (millions)	Cost coverage (percent)		
			Jan. 7, 1968	Jan. 1, 1969	Jan. 1, 1970		Now	After all pay and rate increases	
1st class:									
Letters.....	Ounce ¹	5 cents.....	6 cents ¹	-----	-----	\$493.2 2.2 23.0	103	110	
Drop letters.....	do.....	4 cents.....	6 cents.....	-----	-----				
Cards.....	Each.....	do.....	5 cents.....	-----	-----				
Total.....	-----	-----	-----	-----	-----	518.4			
Airmail:									
Letters.....	Ounce.....	8 cents.....	10 cents ¹	-----	-----	56.3 0.6 -7.2	105 175	119 157	
Cards.....	Each.....	6 cents.....	8 cents.....	-----	-----				
Parcel post.....	Pound.....	1st class and zone rates.....	Zone rates.....	-----	-----				
Total.....	-----	-----	-----	-----	-----	49.7			
2d class:									
In county:									
Pound-rate matter.....	Pound.....	1.25 cents.....	1.3 cents.....	1.4 cents.....	1.5 cents.....	1.0 1.0	13	14	
Per-copy-rate matter.....	Minimum per piece.....	0.125 cent.....	0.2 cent.....	0.2 cent.....	0.2 cent.....				
Outside county:									
Regular publications:	Per copy.....	1 or 2 cents.....	Zone rates at additional entry offices only.....						
Editorial.....	Pound.....	2.8 cents.....	3 cents.....	3.2 cents.....	3.4 cents.....				
Advertising:									
Zones 1 and 2.....	do.....	4.2 cents.....	4.6 cents ²	4.9 cents ²	5.2 cents ²	26.1	29	33	
Zone 3.....	do.....	5.2 cents.....	5.7 cents.....	6 cents.....	6.4 cents.....				
Zone 4.....	do.....	7.2 cents.....	7.8 cents.....	8.3 cents.....	8.8 cents.....				
Zone 5.....	do.....	9.2 cents.....	9.9 cents.....	10.5 cents.....	11.1 cents.....				
Zone 6.....	do.....	11.2 cents.....	12 cents.....	12.8 cents.....	13.6 cents.....				
Zone 7.....	do.....	12 cents.....	12.8 cents.....	13.7 cents.....	14.5 cents.....				
Zone 8.....	do.....	14 cents.....	15 cents.....	16 cents.....	17 cents.....				
Minimum per piece.....	do.....	1 cent.....	1.1 cents ³	1.2 cents ³	1.3 cents ³				
Air 2d class.....	Pound.....	None.....	Regular rates plus added costs.....						
Classroom publications.....	Minimum per piece.....	60 percent of regular rates.....	4 cents.....	60 percent of regular rates.....			.4	18	20
Nonprofit publications:									
Editorial.....	Pound.....	1.8 cents.....	1.9 cents.....	2 cents.....	2.1 cents.....	4.2	7	9	
Advertising.....	do.....	1.8 cents.....	0.13 cent.....	Zone rates.....	0.2 cent.....				
Transient rate.....	Minimum per piece.....	0.125 cent.....	5 cents.....	5 cents.....	5 cents.....				
	1st 2 ounces.....	4 cents.....	1 cent.....	1 cent.....	1 cent.....	.5	92	91	
	Each additional ounce.....	1 cent.....	-----	-----	-----	-----	-----	-----	
Total.....	-----	-----	-----	-----	-----	33.2	-----		

See footnotes at end of table, p. 40.

POSTAL RATE INCREASES, H.R. 7977—Continued
[1968 volume basis]

Mail class	Postage rate unit	Present rate	New rate—Effective date (cents)				Cost coverage (percent)	
			Jan. 7, 1968	Jan. 1, 1969	Jan. 1, 1970	New revenues (millions)	Now	After all pay and rate increases
Controlled circulation	Pound	13.5 cents	14 cents	14.5 cents	15 cents	6.4	58	68
	Minimum per piece	1 cent	1.9 cents	2.9 cents	3.8 cents			
3d class:								
Single piece	1st 2 ounces	4 cents	6 cents			69.8	86	103
	Each additional ounce	2 cents	2 cents					
Keys and identification devices	Each 2 ounces	6 cents						
	1st 2 ounces		14 cents					
	Each additional 2 ounces		7 cents					
Bulk rate:								
Regular:								
Circulars, etc.	Pound	18 cents	22 cents	22 cents		154.1-182.8	61	72-75
	Minimum per piece	2.875 cents	3.6 cents	3.8 to 4 cents ⁴				
Books, catalogs, etc.	Pound	12 cents	16 cents	16 cents				
	Minimum per piece	2.875 cents	3.6 cents	3.8 to 4 cents ⁴				
Nonprofit:								
Circulars, etc.	Pound	9 cents	11 cents	11 cents		12.1	27	31
	Minimum per piece	1.25 cents	1.4 cents	1.6 cents				
Books, catalogs, etc.	Pound	6 cents	8 cents	8 cents				
	Minimum per piece	1.25 cents	1.4 cents	1.6 cents				
Total						236.0-264.7		
4th class:								
Special rate	1st pound	10 cents	12 cents			11.5	45	49
	Each additional pound	5 cents	6 cents					
Library rate	1st pound	4 cents	5 cents					
	Each additional pound	1 cent	2 cents					
Total						12.6		
Federal Government Mail	Applicable class rates		Applicable class rates			29.6	105	115
Total, new postal revenues						885.9-914.6	83	87-88

¹ All 1st-class mail exceeding 13 ounces and all airmail exceeding 7 ounces will be carried as 1 class on a "most expeditious" basis, subject to a single air parcel rate schedule.

² Authorized agricultural publications will retain the current 4.2 cents advertising pound rate for zones 1 and 2.

³ The current 0.5-cent minimum charge for publications mailing fewer than 5,000 copies outside the county of publication will be 0.6 cent in 1968, 0.7 cent in 1969, and 0.8 cent thereafter.

⁴ Effective July 1, 1969; the higher rate for mailings in excess of 250,000.

⁵ Effect of 250,000 piece exemption not determined.

⁶ Effective July 1, 1969.

TITLE II—FEDERAL SALARY INCREASES

With one significant exception the differences between the House bill and the Senate amendment were relatively minor and technical.

The one exception was the Commission on Executive, Legislative, and Judicial Salaries contained in the House bill which was struck out in the Senate amendment. The provision establishing the Commission has been retained in the conference substitute with an amendment requiring that the recommendations to be submitted by the President are restricted solely to the proper levels for executive, congressional, and judicial salaries.

The conference substitute does not contain the provision of the House bill requiring the executive agencies to absorb certain costs of the salary increase. However, it is the firm intent of the House conferees that the Bureau of the Budget require all the departments and agencies to absorb, to the maximum possible extent, the additional cost above the amounts budgeted for fiscal year 1968 through attrition, not filling vacancies, and other actions aimed at achieving economies.

TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

The Senate amendment contained Title III: Prohibition of Pandering Advertisements exactly as it passed the House of Representatives. This title was not in conference and is contained in the conference substitute.

TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

The conference substitute contains Title IV Federal Employees Life Insurance as added by the Senate amendment, with the following major features:

- (1) Provides life insurance equal to an employee's annual rate of compensation plus \$2,000, with a minimum amount of insurance of \$10,000, and a maximum of \$32,000.

- (2) Continues the rate of contribution of two-thirds for the employee to one-third for the Government, with authority for the Civil Service Commission to adjust the rate of contribution to level cost of the insurance.

- (3) Authorizes an employee to obtain and pay the full cost of additional insurance at his option in amounts not more than the greater of \$10,000 or an amount when added to the amount provided in section 8704(a) of title 5, United States Code makes the sum of his insurance equal to his annual pay.

The additional insurance provision would become effective 60 days after date of enactment and the optional insurance provision 180 days following date of enactment. Employees who die or retire between date of enactment and the effective dates will be covered by the additional insurance and will be deemed to have elected to purchase the optional insurance.

The annual cost of title IV is \$35.4 million.

DIFFERENCES BETWEEN THE TEXT OF THE HOUSE BILL AND THE CONFERENCE SUBSTITUTE

TITLE I—POSTAL RATES

The coverage of title I of the House bill is identical with the coverage of title I of the conference substitute.

The major differences are discussed below.

Military mail

The House bill has several provisions designed to improve mail service for members of the Armed Forces serving overseas.

Free mail privileges.—Sections 101(b) and 101(c) of the House bill extend free mailing privileges for letters, cards, and sound recorded personal communications to all members of the U.S. Armed Forces overseas, and to all members hospitalized as a result of disease or injury incurred while on active duty.

The conference substitute does not include comparable provisions.

News publication airlift.—Section 102(b)(3) of the House bill amends title 39, United States Code, section 4303(d)(5), to extend the airlift for second-class news publications to all members of the U.S. Armed Forces overseas.

The conference substitute extends the airlift for such publications, which, under existing law, is furnished only to combat areas, to "isolated, hardship, or combat support areas overseas, or where adequate surface transportation is not available."

Parcel airlift.—Both the House bill (sec. 117) and the conference substitute (sec. 117) include authority for the space-available domestic air transportation for parcels up to 30 pounds upon payment of an additional airlift fee.

Second-class publications

Nonprofit publications.—Section 103(a)(2) of the House bill adds a new subsection (d) to section 4358 of title 39, United States Code, to provide a six-step, zone-based system of rates per pound (with one rate applicable to the advertising portion and a lesser rate applicable to the nonadvertising portion). The section also prescribes a minimum charge per piece of 0.2 cent per piece.

The conference substitute provides a minimum charge per piece as follows: 1968, 0.13 cent; 1969, 0.15 cent; and 1970 and thereafter, 0.2 cent.

The conference substitute adds a provision (sec. 4358(d)(2)) to the effect that any qualified nonprofit publication "the advertising portion of which does not exceed 10 per centum of such issue" shall pay postage based on the nonadvertising rates.

Agricultural publications.—Section 103(a)(2) of the House bill amends section 4358 of title 39, United States Code, relating to preferred rates of postage on publications, to establish a separate category for agricultural publications devoted to promoting the science of agriculture, 70 percent of the circulation of which are distributed to rural areas.

The conference substitute contains a similar provision, but adds a requirement that the publication furnish proof of qualification to be included in such category.

Educational television and radio.—The House bill contains no provision to include publications by educational television or radio stations within a preferred rate category.

Section 103(a)(2) of the conference substitute, amending section 4358 of title 39, United States Code, adds to the definition of qualified nonprofit organizations “program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station.”

Section 121 of the conference substitute amends section 4355(a) of title 39, United States Code, to permit such publications to qualify for second-class rates even though the publications do not meet all of the qualifications required by law of regular publications, such as the need for a legitimate list of subscribers.

Regular publications.—Section 104(a)(1) of the House bill amends section 4359(b) of title 39, United States Code, to provide a three-step increase (1968, 1969, and 1970) in the pound rates and the minimum charge per piece for regular rate publications.

The rates per pound on the advertising portion of such publications for zones 1, 2, 3, and 4 are as follows:

[In cents]			
	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7

The conference substitute increased each of three rates by 0.1 cent so that the new rates are as follows:

[In cents]			
	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8

Air transportation.—Section 104(a)(1) of the House bill adds subsection (d) to section 4359 of title 39, United States Code, to authorize the transportation by air on a space-available basis of second-class publications, upon request by the publisher or news agent and the payment of the regular rate of postage plus additional charges prescribed by the Postmaster General in an amount equal to the allocated costs incurred by the Department for the delivery of such matter by air which is in excess of the allocated costs which would have been incurred for surface transportation.

The conference substitute includes a similar provision authorizing the transportation by air on a space-available basis of such publica-

tions, and adds a requirement that the additional charge plus the regular postage, shall be not less than 4 cents per piece.

Surcharge.—Section 104(a)(1) of the House bill adds subsection (f) to section 4359 of title 39, United States Code, to apply a surcharge of 0.3 cents per copy in addition to the regular postage when more than 500,000 copies per issue are mailed at the regular second-class rates. The surcharge is payable only on (1) each copy in excess of 500,000 copies per issue mailed at the original point of entry, and (2) each copy mailed at other than the original point of entry.

The conference substitute does not include a comparable provision.

Separation of mail.—Section 111 of the House bill amends section 4363 of title 39, United States Code, to require publishers and news agents to prepare second-class mail matter for mailing “in the manner directed by the Postmaster General.”

Section 111 of the conference substitute provides that the Postmaster General “may” require publishers and news agents “to separate, make up, and address second-class matter, in such manner as he directs, in accordance with a five-digit ZIP code system.”

Inserts and advertising supplements.—Section 115 of the House bill added a new section 4656 to title 39, United States Code, entitled “Enclosures mailed with second-class publications,” to require that bills or receipts mailed with the publications entered as second-class mail, either loose or bound in publications, and advertising supplements mailed with such publications, shall be charged postage at first-, third-, or fourth-class rates, as appropriate, had such matter been mailed other than with the publications.

The conference substitute contains no comparable provision. However, section 104(c) amends section 4365 of title 39, United States Code, to exclude “bills” from the list of permissible items that may be mailed at second-class rates, so as to require the payment of first-class postage.

Considerable concern exists on the part of the managers of the conference that existing postal regulations relating to advertising supplements are not being enforced. The managers of both the Senate and the House have promised to hold hearings on this subject early next session.

Third-class mail

Bulk rate regular.—Section 107(a) of the House bill amends section 4452 of title 39, United States Code, to provide a minimum charge per piece of 3.8 cents for regular matter mailed on or after January 7, 1968.

The conference substitute provides a minimum charge per piece of 3.6 cents, effective January 7, 1968, and 4 cents on July 1, 1969, except that the rate for the first 250,000 pieces mailed by any one mailer in 1 year, shall be 3.8 cents per piece. The term “mailer” in the immediately preceding sentence refers to the person or firm initiating or sponsoring the mailing and for whose benefit it is made.

Bulk rate nonprofit.—Section 107(a) of the House bill amends section 4452 of title 39, United States Code, to provide the minimum charge effective January 7, 1968, of 1.9 cents per piece for matter mailed by qualified nonprofit organizations except that a minimum charge of 1.3 cents per piece is prescribed for matter mailed by qualified nonprofit organizations (1) which are organized for charitable, religious, or general health purposes, and are engaged predominantly

in the accomplishment of such purposes, or (2) when such matter mailed by qualified nonprofit organizations consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

Section 107(a) of the conference substitute provides for a minimum charge per piece for bulk nonprofit third-class mailings in an amount equal to 40 percent of the minimum charge of 3.6 and 4.0 cents per piece prescribed for regular bulk mailings.

The conference substitute eliminates any distinction for mailings by nonprofit organizations organized for charitable, religious, or general health purposes, or for mailings consisting wholly of solicitations of funds.

Special rate fourth-class mail

General rate.—Section 108(a)(1) of the House bill amends section 4554 of title 39, United States Code, to provide a general rate of 16 cents for the first 2 pounds and 6 cents for each additional pound.

The conference substitute provides a rate of 12 cents for the first pound and 6 cents for each additional pound.

The conference substitute also adds “scholarly bibliography” to the definition of books, which is included in both the House and the conference substitute provisions.

Library rate.—Section 108(a)(2) of the House bill amends section 4554 of title 39, United States Code, to provide a library rate of 8 cents for the first 2 pounds, and 3 cents for each additional pound.

The conference substitute establishes a rate of 5 cents for the first pound, and 2 cents for each additional pound.

Invoices.—Section 101(d) of the House bill, and section 101(b) of the conference substitute, both amend section 4251(a) of title 39, United States Code, to require that “bills and statements of account” be mailed at first-class rates.

Section 115 of the conference substitute amends section 4555(a) of title 39, United States Code, to permit invoices “whether or not also serving as bills, if they relate solely to the matter with which they are mailed,” to be enclosed with fourth-class matter. This provision constitutes an exception to the requirement that bills be mailed at first-class rates. Invoices serving as bills also may be enclosed with third-class matter under title 39, United States Code, section 4453, authorizing third-class matter to include enclosures that are permissible in the case of fourth-class matter.

Miscellaneous.—Section 108 of the conference substitute, amending section 4554 of title 39, United States Code, relating to the special rate for certain fourth-class mail matter, adds several items to the categories entitled to such special rates, as follows:

(1) “Playscripts” was added to the general rate items (sec. 4554(a)(6)).

(2) The library rate (sec. 4554(b)) is amplified so that the institutions between which the items may be mailed include “museums and herbaria,” and that the material to be mailed includes “museum materials, specimens, collections, teaching items, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria.”

(3) A technical correction is made to include "to or from" in section 4554(a)(2), relating to the prohibition against mailing films to or from commercial theaters.

Conforming amendments

Section 114 of the conference substitute, amending sections 4653 and 4654 of title 39, United States Code, relating to matter for the blind and other handicapped persons, adds a requirement that the physical impairment of such persons be certified by competent authority.

Section 120(a) of the conference substitute contains three amendments to the public service provisions of section 2303 of title 39, United States Code, to conform with several provisions of the conference substitute, as follows:

(1) Subparagraph (a)(1)(A), relating to public service losses due to "reduced rates for certain publications as provided by section 4359" is repealed.

H.R. 7977 moves the reduced rate publications from section 4359 to section 4358, which are covered as public service items in subparagraph (a)(1)(C).

(2) Subparagraph (a)(1)(D), relating to free postage for the blind, is rewritten to include free postage for similar handicapped persons who are included in the free mailing provision by section 114 of the conference substitute.

(3) Subparagraph (a)(1)(I), relating to reduced rates on "educational material" under section 4554, is amended by omitting the word "educational" to conform with the omission of the word "educational" from the section heading of section 4554 by section 108(c).

Section 120(b) of the conference substitute repeals paragraph (6) of section 4552(c), relating to size and weight limits of Braille writers and similar items for the blind, to conform with the new provisions of section 4653 as amended by section 114 of the conference substitute, which authorized the Postmaster General to fix the size and weight limits of such items mailed free of postage to the blind or other handicapped persons.

Effective dates

Section 119 of the conference substitute advances the effective date for many of the postal rate provisions, which was prescribed by section 119 of the House bill, so that all of title I of the conference substitute shall become effective on January 7, 1968.

TITLE II—FEDERAL SALARY INCREASES

Pay conversion rules

The rules under the House bill for conversion of employees to the new salary schedules provide that an employee receiving basic pay immediately prior to the effective date of the new schedules at a rate in excess of the maximum rate for his grade shall be converted to—

- (1) The maximum rate for his grade at the new schedule, or
- (2) His existing rate of basic pay if such existing rate is higher.

This rule is applied under the House bill to General Schedule employees under section 202(b)(3) and to postal field service employees under section 205(e)(4) and section 205(g)(2).

The conference substitute added a requirement that the existing rate, when higher than the new maximum rate, be increased by the amount of the applicable pay increase.

Fourth-class postmasters

Section 205(c) of the House bill amends section 3544, title 39, United States Code, to provide a new method of fixing the annual rate of basic compensation of postmasters at fourth-class post offices. The position of such a postmaster is to be ranked in salary level 6 of the Postal Field Service Schedule, and the annual rate of basic compensation of the particular postmaster will be an amount which bears the same ratio to the annual rate of basic compensation for full-time service "as the total number of hours of service" bears to the total number of hours of full-time service.

Section 205(c) of the conference substitute contains similar provisions, but requires that "the average number of hours of service per day" be used as the basis for computing the ratio in lieu of "the total number of hours of service," as provided in the House bill.

Subsection (c) of section 3544, as amended by section 205(c) of the House bill, also provided that the quarters allowance for postmasters at fourth-class post offices be based on 15 percent of the rate of compensation for PFS-6, step 1.

The conference substitute requires the quarters allowance to be based on 15 percent of the pro rata rate of basic compensation of PFS-6, step 1, applicable to the particular postmaster.

Special postal salary ranges

Sections 207 (c) and (d) of the House bill amend section 5303(a) of title 5, United States Code, and add a new section 3561 to such title, to authorize the President to delegate to the Postmaster General authority to fix rates of compensation for positions unique to the postal field service, above the minimum rate of the grade in localities where recruitment or retention is handicapped. Existing law authorizes the President to delegate such authority to the Civil Service Commission.

The conference substitute does not include comparable provisions.

Effective date

Section 212(2) of the House bill provides that the third comparability pay adjustment for employees would become effective April 1, 1969.

Section 212(2) of the conference substitute provides that the third-phase increase will become effective July 1, 1969.

Commission on Executive, Legislative, and Judicial Salaries

Section 216 of the House bill establishes a special Pay Commission to determine the proper levels for executive, congressional, and judicial salaries once every 4 years. The recommendations of the Commission would be considered by the President, who would make such recommendations to the Congress as he felt appropriate with respect to rates of pay and amounts and kinds of expenses and allowances. The recommendations would become effective at the beginning of the first pay period which begins after the 30th day following the transmission to the Congress, unless Congress, in the meantime, has enacted legislation contrary to such recommendations.

Section 225 of the conference substitute contains similar provisions except that the authority of the Commission shall not apply to the amounts and kinds of expenses or allowances.

Absorption of costs

Section 225 of the House bill requires agencies, except the Post Office Department, to absorb certain of the pay cost increases which would be in excess of the total amount included for such costs in the budget of the U.S. Government for the fiscal year ending June 30, 1968.

The conference substitute does not contain a comparable provision.

However, the managers on the part of the House emphasize that the elimination of the provisions requiring the absorption of costs is not to be interpreted as a retreat from the principle of economy. The managers have agreed to this elimination in view of the delay in obtaining final enactment of the legislation, and the fact that there would be less than 6 months remaining during the current fiscal year during which the agencies would be required to absorb this cost. It is the desire of the managers that the heads of each executive agency review with meticulous care each vacancy resulting from voluntary resignation, retirement, or death, and determine whether the duties of the position can be reassigned to other employees, or whether the position can be abolished without seriously affecting the execution of essential functions.

It is not the intent of the managers that any individual be separated from the service by reduction in force or other personnel action, or that they be placed in a leave-without-pay status by reason of any increased cost that may be occasioned by enactment of the pay increases. However, each agency is cautioned to trim their expenditures wherever possible to take care of these costs.

Legislative and judicial salaries

The differences in rates of compensation for, and in provisions relating to, certain officers and employees of the legislative and judicial branches are set forth below.

	House	Conference substitute
U.S. attorneys.....	Sec. 211 provides increases in compensation for assistant U.S. attorneys.	A provision is added to authorize increases for assistant U.S. attorneys as well as U.S. attorneys.
Commissioners, U.S. Court of Claims.	No provision.	Sec. 213(e) amends sec. 792(b) of title 28, United States Code, to increase the rate of compensation for commissioners, U.S. Court of Claims, from \$26,000 to \$29,000.
Senate employees.....	Contains no provision relating to increases in rates of compensation for Senate employees.	Sec. 214(g) to (n) contains the usual authority authorizing comparability increases in compensation granted under sec. 201 of the conference substitute.
Dual compensation.....	No provisions.....	Sec. 214(o) amends sec. 5533(c) of title 5, United States Code, relating to dual compensation applicable to legislative employees paid by the Secretary of the Senate, the Clerk of the House of Representatives, or the Architect of the Capitol. The limitation of \$5,987 per year prescribed by the existing provisions of law, as amended by Public Law 90-57, for employees in positions with rates of compensation fixed at a single gross per annum rate, is increased to \$6,256 per annum, to correspond with the 4.5 percent pay increase granted to legislative employees. Continues the \$2,000 per annum limitation which applies to the pay of employees in positions for which the rate of compensation is fixed by a basic rate plus additional compensation authorized by law.

Uncontrollable overtime.—Section 218 of the House bill amended section 5545(c)(2), relating to uncontrollable overtime duty, to remove the limitation of “not in excess of 15 percent” and inserted “not less than 20 percent nor more than 30 percent.”

Section 217 of the conference substitute provides for not less than 10 percent nor more than 25 percent.

Employees on leave without pay serving certain labor organizations.—Sections 220 and 221 of the House bill amend the various provisions of title 5, United States Code, relating to group life insurance, health benefits, and retirement, to permit employees on approved leave without pay, who are serving as full time officers or employees of a labor organization which includes both Federal and private employees, to come within the provisions of such employee benefit programs.

The conference substitute does not contain comparable provisions.

Nepotism.—Section 222 of the House bill prohibits a public official of the Government of the United States from appointing or recommending for appointment or promotion to a position in the agency in which he is serving, or over which he exercises jurisdiction or control, any person who is a relative of such official.

Section 221 of the conference substitute clarifies the language of the provision to conform with the provisions of title 5, United States Code; amplifies the definition of relatives by adding to the definition “husband, son-in-law, daughter-in-law, half brother or half sister”; contains an authorization for the Civil Service Commission to prescribe regulations permitting the greater employment of individuals whose employment otherwise would be prohibited by this provision in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances; and includes an exemption covering situations where the individual is a preference eligible and his being passed over would result in the selection of a nonpreference eligible.

Wage board classification appeals.—Section 223 of the conference substitute adds a new section 5345 to title 5, United States Code, to extend to a wage board employee the right of an appeal to the Civil Service Commission for the review of action by an agency in clarifying his position for pay purposes.

The House bill had no comparable provision.

Traveltime.—Section 224 of the House bill rewrites present law (5 U.S.C. 5542(b)) and adds a new section 5542a, to authorize Federal employees generally (not including wage board or postal field service employees) to count time spent in actual travel outside regular hours of work for overtime, Sunday, or holiday pay purposes.

The time authorized to be counted by employees below GS-10, or an employee in a comparable position, is actual traveltime in traveling—

- (1) During an emergency;
- (2) Between place of work or lodging and temporary assignment on the same day;
- (3) The first or last 4 hours to or from an overnight stop; and
- (4) On nonworkdays during hours corresponding to Regular working hours.

Section 222(a) of the conference substitute revises existing provisions of section 5542(b), and adds two additional situations during which traveltime will count as hours of work—

(1) Time incident to travel that involves the performance of work while traveling; and

(2) Travel that results from an event which could not be scheduled or controlled administratively.

Section 222(b) of the conference substitute adds a new subsection (e) to section 3571 of title 39, United States Code, to include authority for postal field service employees to count traveltime as hours of work under similar circumstances.

Section 222(d) of the conference substitute amends section 5545(a) of title 5, United States Code, to grant similar benefits to wage board employees.

Section 222(c) of the conference substitute adds a new section 5733 of title 5, United States Code, requiring that travel of an employee shall be by the most expeditious means of transportation practicable, and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel.

The managers on the part of the House recognize that matters relating to travel of Government employees ordinarily are considered in the House by the Committee on Government Operations. However, these provisions were added by the Senate and are part of the section adopted by the conferees.

Concern was expressed by the managers in connection with the new requirement that the travel be by the most expeditious means of transportation because of information that at least one agency, the State Department, has a prescribed number of miles per day which an employee is required to travel in considering his pay, leave, and per diem status during the period of travel. It is understood that this requirement is a part of the Uniform State, AID, USIA, and Foreign Service Travel Regulations, section 145.4—2.

There was not sufficient time for the conferees to obtain information on this question, and the Bureau of the Budget and the General Accounting Office are requested to review this or any similar regulation, and furnish necessary information as to the justification for such a practice, to the appropriate congressional committees.

Annuity computation.—Section 224(b) of the conference substitute amends 5 U.S.C. 8339(e)(2), limiting retirement annuity for Members to 80 percent of “the final basic pay of the Member,” to permit a Member who accepts an appointive position to elect to have his annuity computed or recomputed on the basis of the final basic pay of the appointive position.

The House bill had no comparable provision.

Allowances for former Presidents.—Section 224(c) of the conference substitute amends section 1(b) of the act of August 25, 1958 (3 U.S.C. 102, note) to increase the maximum amount of office expense funds available for payment of staff members of former Presidents of the United States, from \$65,000 per annum to \$80,000 per annum, and increases the maximum salary of one staff member from the maximum salary level of a member of a Senator’s staff to the salary of level II of the Executive Schedule under 5 U.S.C. 5313.

Office of Economic Opportunity employees.—Section 226 of the House bill prohibited employees of the Office of Economic Opportunity

from receiving any increase in basic salary by reason of the enactment of this act.

The conference substitute contains no comparable provision.

TITLE IV—FEDERAL EMPLOYEES' LIFE INSURANCE

Title IV of the conference substitute amends the Federal employees' group life insurance program, title 5, United States Code, chapter 87, to provide additional life insurance, to strengthen the financial condition of the insurance fund, and to authorize the purchase of optional insurance coverage.

Section 401 amends section 8704(a) of title 5, United States Code, to provide life insurance (and an equal amount of accidental death and dismemberment insurance) equal to the employee's annual pay, rounded to the next higher \$1,000, plus \$2,000; a minimum of \$10,000; and a maximum of \$32,000. The maximum will be raised correspondingly whenever level II of the Executive Pay Schedule is increased.

Sections 402 and 403 amend sections 8707 and 8708(a), respectively, to provide for mandatory establishment of a premium contribution rate equal to the level cost of the insurance, such contribution rate to be established by the Civil Service Commission and revised from time to time as required to make any changes in the actual level cost of the program. The employee will continue to pay two-thirds of the cost and his employing agency will continue to pay one-third. The existing 25 cents per \$1,000 limitation on the employee's biweekly contribution is repealed. The revision will have the desirable effect of fully financing the cost of the benefits provided.

Section 404 adds a new section, 8714a, to title 5, United States Code, authorizing the Commission to make available to employees, for purchase at their own expense, additional optional life insurance in amounts to be determined by the Commission. While certain statutory requirements are prescribed, the optional coverage would be made available under such conditions as the Commission shall prescribe. It would be provided by the insurance industry in the same manner as the regular insurance; would continue into retirement the same as regular insurance, if purchased at the first opportunity or in force for 12 years immediately preceding retirement; would reduce 2 percent a month, down to 25 percent, beginning at retirement or age 65, whichever occurs later; would include an equal amount of accidental death and dismemberment protection up to the time of retirement but not thereafter; and would be paid for through deductions from the employee's salary or annuity, the Government paying no part of the cost of such coverage. Such optional insurance may not exceed \$10,000, or an amount which, when added to the basic coverage, does not exceed a participating employee's annual salary.

Section 405 provides that increases in premiums made in the regular insurance program would be effective approximately sixty days after enactment, the provisions not affecting any employee who resigned, retired, or died prior to the time of enactment. It further provides that the optional insurance provisions will become effective between 90 to 180 days after enactment.

Section 406 makes the insurance fund available for payment of expenses incurred in administering the optional insurance provisions,

as it is presently available for the purpose of carrying out the existing program.

The House bill contains no similar provisions.

T. J. DULSKI,
DAVID N. HENDERSON,
ARNOLD OLSEN,
MORRIS UDALL,
DOMINICK V. DANIELS,
GLENN CUNNINGHAM,
Managers on the Part of the House.

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than a provision relating to coordination among Federal agencies in carrying out title II). The conference substitute incorporates the provisions of the Senate bill. The revised part B provides as follows:

Section 630.—Statement of Purpose

This section states the purpose of part B of title VI to be to establish an Economic Opportunity Council, provide for an information center, promote better coordination among all programs related to the act, and to improve cooperation and communication among all levels of government, agencies, and institutions in matters related to the purposes of the act.

Section 631.—Economic Opportunity Council

Subsection (a) of this section establishes the Economic Opportunity Council in the Executive Office of the President. The Council is to be composed of the Director of OEO and the heads of such Federal departments and agencies and such Presidential assistants and other Federal officials as the President may from time to time designate. The President would designate one Council member to serve as Chairman and each member may designate an alternate to sit in his stead in the event of his unavoidable absence.

Subsection (b) of the section defines the responsibilities of the Council as providing for the coordination of programs and activities related to the act, developing basic policies and setting priorities with respect to such programs and activities, resolving differences among Federal departments and agencies, and initiating and arranging for the carrying out of specific actions and projects designed to achieve the objectives of the act.

Subsection (c) requires that the President appoint an Executive Secretary of the Council who in turn would appoint and fix the compensation of personnel to assist him in performance of his duties. It also authorizes employees of other Federal departments and agencies to be detailed to the Council from time to time to provide temporary assistance.

Under subsection (d) the Council's activities would, to the extent appropriate, be described in the Director's annual report to the Congress.

Subsection (e) requires the reservation of sums authorized to carry out title VI in order to carry out the purposes of section 631.

Section 632.—Responsibilities of the Director

This section defines the coordination responsibilities of the Director as including special studies of specific coordination problems, the continuing evaluation of all activities under the act with a view toward identifying coordination problems, and the preparation of a 5-year national poverty action plan showing estimates of Federal and other governmental expenditures needed, to eliminate poverty in the Nation within alternative periods of time. Such a plan would include estimates of the funds necessary to finance relevant programs authorized by this and other acts and any new programs which may be necessary to eliminate poverty. The plan would be presented to the Congress and updated on an annual basis.

Section 633.—Cooperation of Federal Agencies

Subsection (a) requires that other Federal agencies cooperate with the Director and carry out their programs so as to assist him in carrying out the programs and provisions of the act.

Subsection (b) authorizes the Economic Opportunity Council and the Director to call upon other Federal agencies to supply statistical data, program reports, and other materials.

Subsection (c) authorizes the President to direct that programs and functions, including the expenditure of funds of Federal agencies, be carried out in conjunction with or in support of programs authorized under the act.

Section 634.—Combinations Among Projects and Programs

This section states Federal agencies' responsibilities in terms of encouraging appropriate combinations among related projects and activities and charges the Economic Opportunity Council with responsibility for carrying on a continuing review of the operation of this section including identifying programs which may be especially appropriate for closely coordinated operations at the State or local level and evaluating and making recommendations concerning implementing procedures of various Federal agencies.

Section 635.—Information Center

This section sets forth provisions of the current law covering the information center, with one amendment, to specifically authorize the Director, in connection with the operation of the center, to study ways of improving existing information systems, the adequacy of data, ways in which data generated at the State or local level may be incorporated into Federal systems, and methods by which data may be made more readily available to State and local officials, agencies, and organizations and used to further coordination objectives.

Section 636.—Prohibition

This section restates, with no change, a provision in the current law that prohibits use of funds to establish any new department or office when the intended function is being performed by an existing department or office.

Section 637.—Special Responsibilities; Training Programs

This section restates a provision in current law setting forth certain responsibilities of the Director, the Secretary of Labor and the Secretary of Health, Education, and Welfare, and other Federal agency heads with respect to the coordination of training programs. One technical modification deletes the specific reference to the President's Committee on Manpower, which was created by Executive order rather than by statute, in favor of a more general reference to "mechanisms prescribed by the President."

Section 638.—Definitions

This section defines the terms "programs related to this Act" and "coordination" as used in part B. The definition of coordination is designed to focus upon four types of actions—actions to improve the common effectiveness of programs in reaching and serving the poor; actions to promote better use of Federal assistance under diverse programs at the State or local level; actions to promote simplification and efficiencies through the joint or combined use of Federal resources; and actions to improve communication and general cooperation.

AMENDMENT TO TITLE VII

The Senate bill extensively revises title VII of the act which deals with special treatment of income for purposes of determining the eligibility of persons for certain public-assistance payments. The House amendment makes only two amendments to title VII of existing law. The first of these is to extend until July 1, 1968, a period within which States must act to come into compliance with the requirements of the title. The second amendment provides that the title should not apply with respect to any period after June 30, 1968. The substitute agreed upon in conference adopts the House provision with an amendment extending until June 30, 1969, the period during which title VII will be in effect.

REVISION OF VISTA PROVISIONS

Both the Senate bill and the House amendment completely rewrite title VIII of the Economic Opportunity Act of 1964 which contains the authority for the VISTA program. Section references herein are to the sections

of the new title VIII as they appear in the substitute recommended in the conference report.

Part A—Full-time volunteer programs

Section 810.—Authority To Establish Full-time Programs

The Senate bill, in describing programs and activities to which VISTA volunteers could be assigned, provides that volunteers can be assigned to mental health and mental retardation facilities only if the facilities are federally assisted. The House amendment and conference substitute do not contain this restriction.

The House amendment adds a provision not contained in the Senate bill giving the Director specific authority to give volunteers work assignments in their own or nearby communities. This provision of the House bill is included in the conference substitute.

The Senate bill provides that the assignment of any volunteer in a State can be terminated when requested by the Governor of that State within 30 days or at a time thereafter agreed upon by the Governor and the Director. The House amendment contains no comparable provision. This provision of the Senate bill is retained in the conference substitute.

Section 811.—Terms of Service

The Senate bill requires a full-time personal commitment on the part of the volunteer to the extent practicable to live among and at the economic level of the poor and to remain available for service without regard to regular working hours. The House amendment omits the words "to the extent practicable". The conference substitute restores the provisions of the Senate bill.

Part B—Auxiliary and special volunteer programs

Section 822.—Demonstration Projects To Help Young Adult Criminal Offenders

The Senate bill contains a provision authorizing the Director to provide for demonstration projects in not more than four areas during the fiscal year 1968, and not more than six areas during each of the 2 succeeding fiscal years, under which VISTA volunteers and members of the Teacher Corps provide youthful criminal offenders, aged 16 to 25, with intensive education, training, and counseling for at least a 6-month period prior to their release from confinement and for at least 6 months thereafter. Not more than 100 VISTA volunteers may be employed under this section during fiscal year 1968, and not more than 150 during the 2 succeeding fiscal years. The Commissioner of Education would furnish on a reimbursable basis members of the Teacher Corps. Not more than 40 Teacher Corps members would be used during fiscal year 1968 and not more than 60 such members during the 2 succeeding fiscal years. The Teacher Corps members participating in the program who are not experienced teachers would be compensated at the rate of \$75 per week plus \$15 per week for each dependent. Experienced teachers would be compensated at a rate set by the Commissioner of Education. The House bill does not contain this provision. The conference substitute retains it.

Part C—General provisions

Section 832.—Participation of Older Persons

The Senate bill provides that the Director shall encourage the participation of older persons as volunteers under title VIII. The House amendment provides that he shall encourage older persons and older person membership groups as volunteers and participant agencies under title VIII. The Senate recedes.

Section 834.—Special Limitations

The House amendment adds a provision not contained in the Senate bill prohibiting the use of funds authorized herein to finance labor union or related activity. The confer-

ence substitute further limits the authority by extending this provision to cover financing of "anti-labor" as well as "labor" organizations.

The Senate bill provides that volunteers shall be required to provide such information concerning their qualifications (including their ability to perform their assigned tasks and their integrity) and would be subject to such selection procedures as the Director shall prescribe, and authorizes the Director to fix special procedures for the selection as volunteers of low-income residents of the area to be served. The conference substitute incorporates these provisions of the Senate bill with a number of technical changes.

AMENDMENT TO THE MANPOWER DEVELOPMENT AND TRAINING ACT

The Senate bill, in section 112, amends section 203 of the Manpower Development and Training Act of 1962 to change the rate of training allowances paid thereunder in certain cases so that they would not exceed unemployment compensation payable in the State. The House amendment contains no comparable provisions. The Senate recedes.

TITLE II—INVESTIGATION AND EVALUATION BY THE COMPTROLLER GENERAL

The Senate bill, in title II, and the House amendment, as an amendment adding a new part C to title VI, contains provisions which are comparable in most respects, relating to an investigation and evaluation by the Comptroller General of programs and activities carried on under the act.

Under the Senate bill the Comptroller General would transmit his final report to the Congress by February 1, 1969. The House amendment requires a report to Congress not later than May 1, 1968. The conference substitute requires a report to Congress not later than December 1, 1968.

The House amendment permits employees, as well as officers, to hold hearings. The conference substitute, like the Senate bill, permits only officers to hold hearings.

The Senate bill permits payment of \$50 a day per diem. The House amendment fixes the figure at \$100 a day. The Senate recedes.

The Senate bill authorizes the appropriation of such sums as may be necessary to carry out the investigation and evaluation. The House amendment requires the Director to transfer to the Comptroller General from the funds available to carry out the act, such sums as might be required, but not in excess of \$2,000,000 for the fiscal year ending June 30, 1968. The House recedes.

TITLE III—CRIMINAL PROVISIONS

The House amendment makes it a felony for any officer, director, agent, or employee connected with an agency receiving financial assistance under the act to embezzle, willfully misapply, steal, or obtain by fraud any funds or property granted or paid under the act. The Senate bill did not contain this provision. It is retained in the conference substitute.

TITLE IV—EFFECTIVE DATE

Section 301 of the House amendment provides that, while the bulk of the amendments will take effect immediately, the provisions of section 202 of the act as in effect heretofore would continue, until June 30, 1968, to apply to community action agencies in existence and funded prior to the enactment of these amendments, except that any grant or funding agreement made with such an agency before that date must provide for transfer of functions, obligations, records, authority, and funds to any successor agency. The Senate bill contained no comparable provisions. The substitute agreed upon in conference adopts the House provision but with a proviso which is designed to provide for orderly transition and

to preclude premature termination of existing programs. This provision would permit continued funding between June 30, 1968, and February 1, 1969, of the existing community action program of an existing community action agency which does not meet the requirements of the first sentence of section 210(a) but only if no other agency has been (1) designated by the Director under section 210 as the community action agency for that community and (2) funded under the authority of section 221 or 222(a). This provision is not intended to relieve any community action agency of its obligation to meet by July 1, 1968, the provisions (including the new board requirement of a 51 member limit and one-third public official representation) of section 211(b).

The second House amendment changes the title of the bill. The Senate recedes.

CARL D. PERKINS,
EDITH GREEN,
FRANK THOMPSON,
JOHN H. DENT,
ROMAN PUCINSKI,
JAMES G. O'HARA,
CARL ALBERT,
SAM M. GIBBONS,

Managers on the Part of the House.

H.R. 7977, TO ADJUST CERTAIN POSTAGE RATES AND RATES OF BASIC COMPENSATION IN THE FEDERAL GOVERNMENT—CONFERENCE REPORT

Mr. DULSKI submitted the following conference report and statement on the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1013)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Postal Revenue and Federal Salary Act of 1967'.

"TITLE I—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 101. (a) Sections 4252 and 4253 of

title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

"(b) Section 4251(a) of title 39, United States Code, is amended by striking out 'and (4)' and inserting in lieu thereof '(4) bills and statements of account, and (5)'."

"(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

"(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"'4252. Weight limit.'"

and inserting in lieu thereof—

"'4252. Size and weight limits.'"

"AIRMAIL

"SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

"(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

" Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.

"(2) by deleting paragraph (2); and

"(3) by striking out in paragraph (5), subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (i) in an overseas area designated by the President under section 4169 of this title or (ii) in an isolated, hardship or combat support area overseas, or where adequate surface transportation is not available; and

"(C) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

" [In cents]						
	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

"(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

"(e) The postage on classroom publications, mailed in accordance with section 4359 (a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year

"(c) Section 4303(f) of title 39, United States Code, is amended by striking out 'the Virgin Islands or the Canal Zone' wherever appearing therein and inserting in lieu thereof 'or the Virgin Islands'.

"(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word 'eight' and inserting in lieu thereof the figure '7'.

"SECOND-CLASS MAIL PREFERRED RATES

"SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

"(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

" [In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2.

"(2) by adding at the end thereof the following:

"(d) (1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

" [In cents]						
	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) "classroom publication" means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) "a publication of a qualified nonprofit organization" means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philan-

thropic, agricultural, labor, veterans', fraternal, and associations of rural electric cooperatives, program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) "zones" means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.; and

"(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication.'

and inserting in lieu thereof—

"4358. Rates of postage; preferred'.

"SECOND-CLASS MAIL REGULAR RATES

"SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

"(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

" [In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Depart-

ment had such matter been delivered by surface transportation, but the total of such charges and the lawfully required postage shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title; and

"(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"'4359. Postage rates beyond county of publication.'

and inserting in lieu thereof—

"'4359. Rates of postage; regular'.

"(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out 'bills,'.

"(d) Section 4369 (a) (4) of title 39, United States Code, is amended by striking out: 'Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General'.

"SECOND-CLASS TRANSIENT MAIL

"SEC. 105. Section 4362 of title 39, United

States Code, is amended by striking out 'four cents' and inserting in lieu thereof '5 cents'.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]"			
	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece..	1.9	2.9	3.8'

"THIRD-CLASS MAIL

"SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed during calendar year 1968	Mailed after June 30, 1969	
(1) Individual piece.....	Cents 6.0 2.0	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first 250,000 pieces mailed during a year. For such purpose, the number of pieces mailed during a year shall be the aggregate of the pieces mailed under item (2) (A), (B), and (C) of the above table.

"(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided in the table under subsection (a), rounded off to the nearest one-tenth cent'.

"(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

"SPECIAL RATE FOURTH-CLASS MAIL

"SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

"(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books including books issued to supplement other books, consisting wholly of reading matter or scholarly bibliography or

reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;";

"(2) by striking out in subsection (b) (1) '4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof' and inserting in lieu thereof '5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof';

"(3) by inserting in subsection (b) (1) (B) 'museums and herbaria,' immediately following 'public libraries;';

"(4) in subsection (b) (2) by striking out 'and' at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof '; and'; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria;";

"(5) by inserting in subsection (c) 'or narrower width' immediately following '16-millimeter', and 'museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria,' immediately following 'sound recordings;'; and

"(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Post-

master General, only in the manner directed by him'.

"(b) Subparagraph (6) of section 4554 (a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6)'.

"(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates'.

"(d) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"'4554. Postage rates on books and films.'

and inserting in lieu thereof—

"'4554. Books, films, and other materials; preferred rates.'

"KEYS AND OTHER SMALL ARTICLES

"SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out '6 cents for each two ounces or fraction thereof' and inserting in lieu thereof '14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,'.

"SPECIAL HANDLING SERVICE

"SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling.

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail'.

"SEPARATION BY MAILER OF SECOND-CLASS MAIL

"SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail.

"The Postmaster General may require publishers and news agents to separate, make up, and address second-class matter in such manner as he directs in accordance with a 5-digit ZIP code system'.

"PRINTING ON SECOND-CLASS COVERS

"SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers'.

"ADDITIONAL ENTRY POINTS

"SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry'.

"MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

"SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a

physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

"(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

"(c) Section 4451(d) of title 39, United States Code, is repealed.

"PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

"SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

"(1) by striking out 'and' at the end of clause (9);

"(2) by striking out the period at the end of clause (10) and inserting in lieu thereof "; and"; and

"(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

"REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

"SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

"(b) The table of contents of chapter 57 of title 39, United States Code is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

"PARCEL AIRLIFT

"SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

"Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers."

"(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

"4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices."

"SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

"SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for

the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

"(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

"EFFECTIVE DATE

"SEC. 119. This title shall become effective on January 7, 1968.

"CONFORMING AMENDMENTS

"SEC. 120. (a) (1) Subparagraph (A) of section 2303(a)(1) of title 39, United States Code, is repealed.

"(2) Subparagraph (D) of such section is amended to read as follows:

"(D) free postage on reading matter and other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title."

"(3) Subparagraph (I) is amended by striking out 'educational'.

"(b) Section 4552(c) of such title is amended—

"(1) by inserting 'and' after the semicolon at the end of paragraph (4);

"(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

"(3) by striking out paragraph (6).

"EDUCATIONAL TELEVISION

"SEC. 121. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word 'or', and by adding after item (10) the following new item:

"(11) program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

"UNDELIVERED FIRST-CLASS MAIL

"SEC. 122. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows:

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for the nondelivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

"TITLE II—FEDERAL SALARY INCREASES

"SHORT TITLE

"SEC. 201. This title may be cited as the 'Federal Salary Act of 1967'."

"EMPLOYEES SUBJECT TO THE GENERAL SCHEDULES

"SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	
GS-17	23,788	24,581	25,374	26,167	26,960					
GS-18	27,055									

"(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall, be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

"(5) If the officer or employee, at any time during the period beginning on the effective

date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

"(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

"LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

"Sec. 203. Section 3301 of title 39, United States Code, is amended by striking out 'salary levels 19 and 20' and inserting in lieu thereof 'salary levels 20 and 21'.

"CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

"Sec. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading 'POSITIONS' is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and house-

keeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"§ 3512A. Positions in salary level 2

"Custodian. (KP-1)

"(1) Basic function.—Performs manual laboring duties in connection with custody of an office or building.

"(2) Duties and responsibilities.—

"(A) Performs any combination of the following duties:

"1. Moves furniture and equipment.

"2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

"3. Loads and unloads supplies and equipment.

"4. Removes trash from work areas, lobbies, and washrooms.

"5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

"6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

"(B) May perform cleaning duties as assigned.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"(b) Each salary level number in the headings of section 3513 to 3531, inclusive, of title 39, United States Code, and each other numerical reference to such salary level number in any other provision of such title (including the table of contents of chapter 45) which is not otherwise increased by this title, is increased by 1.

"(c) Each employee in the postal field service on the date of enactment of this title, whose position is placed in salary level 2 of the Postal Field Service Schedule by reason of the enactment of this section and section 205(e) (1) of this title, shall remain in salary level 2 of such schedule so long as he remains in such position or occupies, without break in service of more than thirty days, a position of a comparable level of duties, responsibilities, and work requirements in such salary level. When the employee leaves any such position, the position shall be appropriately ranked in accordance with chapter 45 of title 39, United States Code.

"(d) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3512A. Positions in salary level 2."

immediately below—

"3512. Positions in salary level 1."

"POSTAL FIELD SERVICE EMPLOYEES

"Sec. 205. (a) Section 3542(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

" POSTAL FIELD SERVICE SCHEDULE I

" [To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after Oct. 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below]

" PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2.....	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3.....	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4.....	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5.....	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6.....	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7.....	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8.....	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	-----
9.....	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	-----	-----
10.....	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	-----	-----
11.....	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546	-----	-----
12.....	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	-----	-----
13.....	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	-----	-----
14.....	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	-----	-----
15.....	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	-----	-----
16.....	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	-----	-----
17.....	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	-----	-----
18.....	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	-----	-----
19.....	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	-----	-----
20.....	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	-----	-----	-----	-----
21.....	24,126	24,932	25,738	26,544	26,960	-----	-----	-----	-----	-----	-----	-----

" POSTAL FIELD SERVICE SCHEDULE II

" [To be effective on the first day of the first pay period beginning on or after July 1, 1968]

" PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2.....	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3.....	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4.....	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5.....	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6.....	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7.....	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8.....	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	-----
9.....	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	-----	-----
10.....	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	-----	-----
11.....	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	-----	-----
12.....	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	-----	-----
13.....	11,356	11,743	12,130	12,517	12,904	13,291	13,687	14,074	14,462	14,849	-----	-----
14.....	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	-----	-----
15.....	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	-----	-----
16.....	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	-----	-----
17.....	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	-----	-----
18.....	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	-----	-----
19.....	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	-----	-----
20.....	22,848	23,610	24,372	25,134	25,896	26,658	27,420	27,800	-----	-----	-----	-----
21.....	25,333	26,179	27,025	27,871	27,900	-----	-----	-----	-----	-----	-----	-----

"(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compen-

sation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation shall

be paid to rural carriers in accordance with such schedules.

" RURAL CARRIER SCHEDULE I

" [To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	1	2	3	4	5	6	7	8	9	10	11	12
" Per annum rates and steps												
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30....	25	25	25	25	25	25	25	25	25	25	25	25

" RURAL CARRIER SCHEDULE II

" [To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	1	2	3	4	5	6	7	8	9	10	11	12
" Per annum rates and steps												
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30....	25	25	25	25	25	25	25	15	25	25	25	25

"(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

"(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

"(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

"(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

"(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

"(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such

changes shall be deemed to have occurred prior to conversion.

"(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

"(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

"(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

"(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

"(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

"§ 3544. Fourth Class Office Schedule."

and inserting in lieu thereof—

"§ 3544. Compensation of postmasters at fourth-class offices."

"CONFORMING AMENDMENTS"

"Sec. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out '(3) revenue unit category, with respect to the Fourth Class Office Schedule.' and inserting in lieu thereof '(3) minimum hours of service with respect to postmasters in fourth-class post offices.'"

"(b) Section 3560(f) of title 39, United States Code, is amended by striking out '(1) reductions in class or revenue unit category of any post office, or' and inserting in lieu thereof '(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or'."

"(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out 'level PFS-10' and 'level PFS-11', wherever appearing therein, and inserting in lieu thereof 'level PFS-11' and 'level PFS-12', respectively. Subsection (g) of section 3573 is amended by striking out 'PFS-17' and inserting 'PFS-18'."

"(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out 'level PFS-15' and inserting in lieu thereof 'level PFS-16'."

"(e) Any reference to a level of the

Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

"SPECIAL SALARY RATE RANGES"

"Sec. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out 'seventh pay rate' and inserting in lieu thereof 'maximum pay rate'."

"(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

"EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION"

"Sec. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule"

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physicians and Dentist Schedule"

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule"

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this sec-

" Class 1.....	\$24,944	\$25,776
Class 2.....	20,280	20,956
Class 3.....	16,616	17,170
Class 4.....	13,507	13,957
Class 5.....	11,120	11,491
Class 6.....	9,267	9,576
Class 7.....	7,816	8,076
Class 8.....	6,734	6,959

"(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The

" Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278
Class 2.....	13,507	13,957	14,407	14,857
Class 3.....	11,120	11,491	11,862	12,233
Class 4.....	9,267	9,576	9,885	10,194
Class 5.....	8,351	8,629	8,907	9,185
Class 6.....	7,524	7,775	8,026	8,277
Class 7.....	6,905	7,135	7,365	7,595
Class 8.....	6,125	6,329	6,533	6,737
Class 9.....	5,575	5,761	5,947	6,133
Class 10.....	4,995	5,161	5,327	5,493

"(c) Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

"AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

"SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"SALARY RATES FIXED BY ADMINISTRATIVE ACTION

"SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

"(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

"(d) Nothing contained in this section

tion if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

"FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

"SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

\$27,055				
21,632	\$22,308	\$22,984	\$23,660	\$24,336
17,724	18,278	18,832	19,386	19,940
14,407	14,857	15,307	15,757	16,207
11,862	12,233	12,604	12,975	13,346
9,885	10,194	10,503	10,812	11,121
8,336	8,596	8,856	9,116	9,376
7,184	7,409	7,634	7,859	8,084

per annum salaries of such staff officers and employees within each class shall be as follows:

\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
15,307	15,757	16,207	16,657	17,107	17,557
12,604	12,975	13,346	13,717	14,088	14,459
10,503	10,812	11,121	11,430	11,739	12,048
9,463	9,741	10,019	10,297	10,575	10,853
8,528	8,779	9,030	9,281	9,532	9,783
7,825	8,055	8,285	8,515	8,745	8,975
6,941	7,145	7,349	7,553	7,757	7,961
6,319	6,505	6,691	6,877	7,063	7,249
5,659	5,825	5,991	6,157	6,323	6,489

shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

"IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

"SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, shall—

"(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—

"(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

"(B) by 3 per centum, whichever is greater; and

"(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code.

Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such

exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

"(i) the President pro tempore of the Senate, with respect to the United States Senate;

"(ii) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

"(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

"(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

"JUDICIAL BRANCH EMPLOYEES

"SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay

for positions at level V of the Executive Schedule under section 5316 of title 5.

"(e) Section 792(b) of title 28, United States Code, is amended by striking out '\$26,000' and inserting in lieu thereof '\$29,000'.

"LEGISLATIVE BRANCH EMPLOYEES

"SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

"(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

"(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

"(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

"(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

"(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

"(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

"(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate, or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term 'officer' does not include a Senator.

"(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment

of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

"(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out '\$180' and inserting in lieu thereof '\$188'.

"(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;

"\$212,440 if such population is 3,000,000 but less than 4,000,000;

"\$223,720 if such population is 4,000,000 but less than 5,000,000;

"\$234,060 if such population is 5,000,000 but less than 7,000,000;

"\$245,340 if such population is 7,000,000 but less than 9,000,000;

"\$258,500 if such population is 9,000,000 but less than 10,000,000;

"\$271,660 if such population is 10,000,000 but less than 11,000,000;

"\$284,820 if such population is 11,000,000 but less than 12,000,000;

"\$297,980 if such population is 12,000,000 but less than 13,000,000;

"\$311,140 if such population is 13,000,000 but less than 15,000,000;

"\$324,300 if such population is 15,000,000 but less than 17,000,000;

"\$338,400 if such population is 17,000,000 or more."

"(l) Section 105 of such Act is amended by striking out '\$1,080', '\$6,120', '\$10,620', '\$10,800', '\$14,220', '\$14,400', '\$15,660', '\$15,840', '\$18,180', '\$22,320', '\$23,400', and '\$24,480' wherever they appear in such section and inserting in lieu thereof '\$1,128', '\$6,392', '\$11,092', '\$11,280', '\$14,852', '\$15,040', '\$16,356', '\$16,544', '\$18,988', '\$23,312', '\$24,440', and '\$25,568', respectively.

"(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply

to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading 'SENATE' in the Second Deficiency Appropriation Act, 1948.

"(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out '\$540' and inserting in lieu thereof '\$564'.

"(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c) (1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if—

"(A) the pay of one or more of the positions is fixed at a single gross per annum rate, and the aggregate gross pay from the positions exceeds \$6,256 a year, or

"(B) the pay of each such position is fixed at a basic rate plus additional compensation authorized by law, and the aggregate basic pay of the positions exceeds \$2,000 a year.

"(2) For the purpose of this subsection, 'gross pay' means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter."

"(p) The third paragraph under the heading 'Office of the Architect of the Capitol' and the subheading 'Salaries' in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out '\$7,700' and inserting in lieu thereof '\$8,200'.

"INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

"SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out '\$28,500' and inserting in lieu thereof '\$29,500'.

"(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out '\$27,000' and inserting in lieu thereof '\$28,750'.

"(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out '\$26,000' and inserting in lieu thereof '\$28,000'.

"SALARY INCREASE LIMITATIONS

"SEC. 216. Except as provided in sections 213 (d) and (e), 214, 215, and 219, and subject to the operation of section 225 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate for level V of the Executive Schedule in section 5316 of title 5, United States Code, in effect on or after the first day of the first pay period which begins on or after the date of enactment of this title.

"UNCONTROLLABLE OVERTIME DUTY

"SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out 'not in excess of 15 percent,' and inserting in lieu thereof 'not less than 10 percent nor more than 25 percent,'.

"PAYMENT OF RETROACTIVE COMPENSATION

"SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this

title, except that such retroactive pay, compensation, or salary shall be paid—

"(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

"(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SALARIES OF LEGISLATIVE OFFICIALS

"SEC. 219. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

"(1) in subsection (b), by striking out '\$23,500' and inserting in lieu thereof '\$29,500';

"(2) in subsection (c), by striking out '\$27,000' and inserting in lieu thereof '\$28,750';

"(3) in subsection (d), by striking out '\$25,500' and inserting in lieu thereof '\$27,500'; and

"(4) in subsection (e), by striking out '\$23,500' and inserting in lieu thereof '\$25,000'.

"EFFECTIVE DATES

"SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 212, 218, 221, 224 (a) and (b) and 225 shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

"(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

"(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment; and

"(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroac-

tively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

"EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

"SEC. 221. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3110. Employment of relatives; restrictions

"(a) For the purpose of this section—

"(1) "agency" means—

"(A) an Executive agency;

"(B) an office, agency, or other establishment in the legislative branch;

"(C) an office, agency, or other establishment in the judicial branch; and

"(D) the government of the District of Columbia;

"(2) "public official" means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and

"(3) "relative" means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

"(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

"(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed employed, promoted, or advanced.

"(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

"(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible."

"(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

"3110. Employment of relatives; restrictions."

"(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public of-

ficial if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

"TRAVEL STATUS

"SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

"(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

"(1) by adding at the end thereof the following new section:

"§ 5733. Expeditious travel

"The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel."; and

"(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

"5733. Expeditious travel."

"(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: "Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

"SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 5345. Position classification appeals

"On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

"(2) decide whether the position has been properly classified; and

"(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position.

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials."

"(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

"5345. Position classification appeals."

"MISCELLANEOUS PROVISIONS"

"SEC. 224. (a) Section 4101(2) (B) of title 5, United States Code, is amended by striking out 'Coast and Geodetic Survey' and inserting in lieu thereof 'Environmental Science Services Administration'.

"(b) Section 8339(e) (2) of title 5, United States Code, is amended to read as follows:

"(2) the greater of—

"(A) the final basic pay of the Member; or

"(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b) (1) of this title."

"(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out '\$65,000' and inserting in lieu thereof '\$80,000', and by striking out the fourth sentence therein and inserting in lieu thereof the following: 'The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.'"

"COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES"

"SEC. 225. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission on Executive, Legislative, and Judicial Salaries (hereinafter referred to as the 'Commission')."

"(b) MEMBERSHIP.—"

"(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

"(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

"(B) two appointed by the President of the Senate;

"(C) two appointed by the Speaker of the House of Representatives; and

"(D) two appointed by the Chief Justice of the United States.

"(2) The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(3) After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(4) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

"(5) Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

"(c) PERSONNEL OF COMMISSION.—"

"(1) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods cover-

ing all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section—

"(A) the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and

"(B) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.

"(2) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

"(d) USE OF UNITED STATES MAILS BY COMMISSION.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

"(e) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

"(f) FUNCTION.—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay of—

"(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

"(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

"(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

"(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

"(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

"(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

"(g) REPORT BY COMMISSION TO THE PRESIDENT.—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

"(h) RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs

(A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term 'budget' means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

"(i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.—"

"(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that, between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

"(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

"(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

"(C) both.

"(2) Any part of the recommendations of the President may, in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect:

"(j) EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.—The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

"(B) any prior recommendations of the President which take effect under this section.

"(k) PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.—The recommendations of the President which take effect shall be printed in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

"TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS"

"SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship."

"(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

"SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

"TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

"SEC. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows:

"(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

"If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000"

"SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8707. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

"SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

"SEC. 404. Chapter 87 of title 5, United States Code, is amended—

"(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more

than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

"(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

"(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

"(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

"(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title."; and

"(2) by inserting in the analysis of such chapter the following new item after item 8714:

"8714a. Optional insurance."

"SEC. 405. (a) The amendments made by sections 401 to 403, inclusive, of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

"(b) (1) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment, or on

any earlier date that the Civil Service Commission may prescribe, which is at least sixty days after the date of enactment. In the case of an employee who dies during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

"(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement, the period during which such optional insurance was available to such employee shall not be considered to have commenced prior to the expiration of sixty days following such effective date.

"(c) The amendments made by sections 401 to 404, inclusive, of this Act shall have no effect in the case of an employee who died,

was finally separated, or retired prior to the date of enactment.

"SEC. 406. The Employees Life Insurance Fund is available without limitation for expenses incurred by the Civil Service Commission in carrying out section 404 of this Act."

And the Senate agree to the same.

THADDEUS J. DULSKI,
DAVID N. HENDERSON,
ARNOLD OLSEN,
MORRIS K. UDALL,
DOMINICK V. DANIELS,
GLENN CUNNINGHAM.

Managers on the Part of the House.

MIKE MONRONEY,
RALPH W. YARBOROUGH,
JENNINGS RANDOLPH,
FRANK CARLSON,
HIRAM L. FONG,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7977) entitled "An Act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The Committee of Conference recommends that the House recede from its disagreement to the amendment of the Senate with an

amendment which is a substitute for both the House bill and the Senate amendment and that the Senate agree to the same.

The House bill consisted of three Titles: Title I—Postal Rates, Title II—Federal Salary Increases, and Title III—Prohibition of Pandering Advertisements.

The Senate amendment consisted of four Titles, the same three contained in the House bill plus the addition of Title IV—Federal Employees Life Insurance.

The conference substitute contains the same four Titles.

The specific differences between the provisions of the House bill and the conference substitute are explained below under a separate heading.

Title I—Postal rates

Based upon estimates of volume for fiscal year 1968 the House bill would have produced an additional \$889.6 million in postal revenue. The Senate amendment would have produced \$915.9 million. The conference substitute, when all rates are fully effective, will produce over \$900 million in additional postal revenue.

Both the House bill and the Senate amendment contained the same postage rates for first-class mail and airmail. The House bill and the Senate amendment differed in varying degrees on the postage rates in the other classes of mail and the differences have been resolved in the conference substitute as explained in detail later in this report.

The effective date for all the provisions in Title I is January 7, 1968.

A table comparing the present postal rates, those proposed in the conference substitute, and the additional postal revenues to be realized from the new rates follows:

POSTAL RATE INCREASES, H.R. 7977

[1968 volume basis]

Mail class	Postage rate unit	Present rate	New rate—Effective date			New revenues (millions)	Cost coverage (percent)	
			Jan. 7, 1968	Jan. 1, 1969	Jan. 1, 1970		Now	After all pay and rate increases
1st class:								
Letters.....	Ounce ¹	5 cents.....	6 cents ¹.....	.....	.....	\$493.2	103	110
Drop letters.....	do.....	4 cents.....	do.....	.....	.....	2.2		
Cards.....	Each.....	do.....	5 cents.....	.....	.....	23.0		
Total.....						518.4		
Airmail:								
Letters.....	Ounce.....	8 cents.....	10 cents ¹.....	.....	.....	56.3	105	119
Cards.....	Each.....	6 cents.....	8 cents.....	.....	.....	0.6		
Parcel post.....	Pound.....	1st class and zone rates.	Zone rates.....	.....	.....	-7.2		
Total.....						49.7		
2d class:								
In county:								
Pound-rate matter.....	Pound.....	1.25 cents.....	1.3 cents.....	1.4 cents.....	1.5 cents.....	1.0	13	14
	Minimum per piece.....	0.125 cent.....	0.2 cent.....	0.2 cent.....	0.2 cent.....			
Per-copy-rate matter.....	Per copy.....	1 or 2 cents.....	Zone rates at additional entry offices only.....			1.0		
Outside county:								
Regular publications:								
Editorial.....	Pound.....	2.8 cents.....	3 cents.....	3.2 cents.....	3.4 cents.....	26.1	29	33
Advertising:								
Zones 1 and 2.....	do.....	4.2 cents.....	4.6 cents ²	4.9 cents ²	5.2 cents ²			
Zone 3.....	do.....	5.2 cents.....	5.7 cents.....	6 cents.....	6.4 cents.....			
Zone 4.....	do.....	7.2 cents.....	7.8 cents.....	8.3 cents.....	8.8 cents.....			
Zone 5.....	do.....	9.2 cents.....	9.9 cents.....	10.5 cents.....	11.1 cents.....			
Zone 6.....	do.....	11.2 cents.....	12 cents.....	12.8 cents.....	13.6 cents.....			
Zone 7.....	do.....	12 cents.....	12.8 cents.....	13.7 cents.....	14.5 cents.....			
Zone 8.....	do.....	14 cents.....	15 cents.....	16 cents.....	17 cents.....			
	Minimum per piece.....	1 cent.....	1.1 cents ³	1.2 cents ³	1.3 cents ³			
Air 2d class.....	Pound.....	None.....	Regular rates plus added costs.....					
Classroom publications.....	Minimum per piece.....	do.....	4 cents.....	.....	.....	.4	18	20
		60 percent of regular rates.	60 percent of regular rates.....					
Nonprofit publications:								
Editorial.....	Pound.....	1.8 cents.....	1.9 cents.....	2 cents.....	2.1 cents.....	4.2	7	9
Advertising.....	do.....	1.8 cents.....	Zone rates.....					
	Minimum per piece.....	0.125 cent.....	0.13 cent.....	0.15 cent.....	0.2 cent.....			
Transient rate.....	1st 2 ounces.....	4 cents.....	5 cents.....	5 cents.....	5 cents.....	.5	92	91
	Each additional ounce.....	1 cent.....	1 cent.....	1 cent.....	1 cent.....			
Total.....						33.2		
Controlled circulation.....	Pound.....	13.5 cents.....	14 cents.....	14.5 cents.....	15 cents.....	6.4	58	68
	Minimum per piece.....	1 cent.....	1.9 cents.....	2.9 cents.....	3.8 cents.....			

Footnotes at end of table.

POSTAL RATE INCREASES, H.R. 7977—Continued

[1968 volume basis]

Mail class	Postage rate unit	Present rate	New rate—Effective date			New revenues (millions)	Cost coverage (percent)	
			Jan. 7, 1968	Jan. 1, 1969	Jan. 1, 1970		Now	After all pay and rate increases
3d class:								
Single piece.....	1st 2 ounces.....	4 cents.....	6 cents.....	6 cents.....	6 cents.....	\$69.8	86	103
	Each additional ounce.....	2 cents.....	2 cents.....	2 cents.....	2 cents.....			
Keys and identification devices.....	Each 2 ounces.....	6 cents.....						
	1st 2 ounces.....		14 cents.....					
	Each additional 2 ounces.....		7 cents.....					
Bulk rate:								
Regular:								
Circulars, etc.....	Pound.....	18 cents.....	22 cents.....	22 cents.....		\$154.1– 182.8	61	72– 75
	Minimum per piece.....	2.875 cents.....	3.6 cents.....	3.8 to 4 cents ⁴				
Books, catalogs, etc.....	Pound.....	12 cents.....	16 cents.....	16 cents.....				
	Minimum per piece.....	2.875 cents.....	3.6 cents.....	3.8 to 4 cents ⁴				
Nonprofit:								
Circulars, etc.....	Pound.....	9 cents.....	11 cents.....	11 cents.....		236.0– 264.7	27	31
	Minimum per piece.....	1.25 cents.....	1.4 cents.....	1.6 cents ⁶				
Books, catalogs, etc.....	Pound.....	6 cents.....	8 cents.....	8 cents.....				
	Minimum per piece.....	1.25 cents.....	1.4 cents.....	1.6 cents ⁶				
Total.....								
4th class:								
Special rate.....	1st pound.....	10 cents.....	12 cents.....			11.5	45	49
	Each additional pound.....	5 cents.....	6 cents.....					
Library rate.....	1st pound.....	4 cents.....	5 cents.....			1.1	16	24
	Each additional pound.....	1 cent.....	2 cents.....					
Total.....						12.6		
Federal Government mail.....	Applicable class rates.....		Applicable class rates.....			29.6	105	115
Total new postal revenues.....						885.9– 914.6	83	87– 88

¹ All 1st-class mail exceeding 13 ounces and all airmail exceeding 7 ounces will be carried as 1 class on a "most expeditious" basis, subject to a single air parcel rate schedule.

² Authorized agricultural publications will retain the current 4.2 cents advertising pound rate for zones 1 and 2.

³ The current 0.5-cent minimum charge for publications mailing fewer than 5,000 copies outside the county of publication will be 0.6 cent in 1968, 0.7 cent in 1969, and 0.8 cent thereafter.

⁴ Effective July 1, 1969, the higher rate for mailings in excess of 250,000.

⁵ Effect of 250,000-piece exemption not determined.

⁶ Effective July 1, 1969.

Title II—Federal salary increases

With one significant exception the differences between the House bill and the Senate amendment were relatively minor and technical.

The one exception was the Commission on Executive, Legislative, and Judicial salaries contained in the House bill which was struck out in the Senate amendment. The provision establishing the Commission has been retained in the conference substitute with an amendment requiring that the recommendations to be submitted by the President are restricted solely to the proper levels for Executive, Congressional, and Judicial salaries.

The conference substitute does not contain the provision of the House bill requiring the executive agencies to absorb certain costs of the salary increase. However, it is the firm intent of the House conferees that the Bureau of the Budget require all the departments and agencies to absorb to the maximum possible extent, the additional cost above the amounts budgeted for fiscal year 1968 through attrition, not filling vacancies, and other actions aimed to achieve economies.

Title III—Prohibition of pandering advertisements

The Senate amendment contained Title III—PROHIBITION OF PANDERING ADVERTISEMENTS exactly as it passed the House of Representatives. This Title was not in conference and is contained in the conference substitute.

Title IV—Federal employees life insurance

The conference substitute contains Title IV—Federal Employees Life Insurance as added by the Senate amendment, with the following major features:

1. Provides life insurance equal to an employee's annual rate of compensation plus \$2,000, with a minimum amount of insurance of \$10,000, and a maximum of \$32,000.

2. Continues the rate of contribution of two-thirds for the employee to one-third for the Government, with authority for the Civil Service Commission to adjust the rate of contribution to level cost of the insurance.

3. Authorizes an employee to obtain and pay the full cost of additional insurance at his option in amounts not more than the greater of \$10,000 or an amount when added to the amount provided in Section 8704(a) of Title 5, U.S.C. makes the sum of his insurance equal to his annual pay.

The additional insurance provision would become effective 60 days after date of enactment and the optional insurance provision 180 days following date of enactment. Employees who die or retire between date of enactment and the effective dates will be covered by the additional insurance and will be deemed to have elected to purchase the optional insurance.

The annual cost of Title IV is \$35.4 million.

DIFFERENCES BETWEEN THE TEXT OF THE HOUSE BILL AND THE CONFERENCE SUBSTITUTE

Title I—Postal rates

The coverage of title I of the House bill is identical with the coverage of title I of the conference substitute.

The major differences are discussed below.

Military Mail

The House bill has several provisions designed to improve mail service for members of the Armed Forces serving overseas.

Free mail privileges

Sections 101(b) and 101(c) of the House bill extend free mailing privileges for letters, cards, and sound recorded personal communications to all members of the United States Armed Forces overseas, and to all members hospitalized as a result of disease or injury incurred while on active duty.

The conference substitute does not include comparable provisions.

News publication airlift

Section 102(b) (3) of the House bill amends 39 U.S. Code 4303(d) (5) to extend the airlift for second-class news publications to all members of the United States Armed Forces overseas.

The conference substitute extends the airlift for such publications, which, under existing law, is furnished only to combat areas,

to "isolated, hardship or combat support areas overseas, or where adequate surface transportation is not available."

Parcel airlift

Both the House bill (section 117) and the conference substitute (section 117) include authority for the space-available domestic air transportation for parcels up to 30 pounds upon payment of an additional airlift fee.

Second-Class Publications

Nonprofit publications

Section 103(a) (2) of the House bill adds a new subsection (d) to section 4358 of title 39, United States Code, to provide a 6-step zone-based system of rates per pound (with one rate applicable to the advertising portion and a lesser rate applicable to the non-advertising portion). The section also prescribes a minimum charge per piece of 0.2 cent per piece.

The conference substitute provides a minimum charge per piece as follows: 1968, 0.13 cent; 1969, 0.15 cent; and 1970 and thereafter, 0.2 cent.

The conference substitute adds a provision (section 4358(d) (2)) to the effect that any qualified nonprofit publication "the advertising portion of which does not exceed 10 per centum of such issue" shall pay postage based on the nonadvertising rates.

Agricultural publications

Section 103(a) (2) of the House bill amends section 4358 of title 39, United States Code, relating to preferred rates of postage on publications, to establish a separate category for agricultural publications devoted to promoting the science of agriculture, 70 per cent of the circulation of which are distributed to rural areas.

The conference substitute contains a similar provision, but adds a requirement that the publication furnish proof of qualification to be included in such category.

Educational television and radio

The House bill contains no provision to include publications by educational television or radio stations within a preferred rate category.

Section 103(a)(2) of the conference substitute, amending section 4358 of title 39, United States Code, adds to the definition of qualified nonprofit organizations "program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

Section 121 of the conference substitute amends section 4355(a) of title 39, United States Code, to permit such publications to qualify for second-class rates even though the publications do not meet all of the qualifications required by law of regular publications, such as the need for a legitimate list of subscribers.

Regular publications

Section 104(a)(1) of the House bill amends section 4359(b) of title 39, United States Code, to provide a 3-step increase (1968, 1969, and 1970) in the pound rates and the minimum charge per piece for regular rate publications.

The rates per pound on the advertising portion of such publications for Zones 1, 2, 3, and 4 are as follows:

	[In cents]		
	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound, advertising portion:			
Zones 1 and 2...	4.5	4.8	5.1
Zone 3.....	5.6	5.9	6.3
Zone 4.....	7.7	8.2	8.7

The conference substitute increased each of three rates by 0.1 cent so that the new rates are as follows:

	[In cents]		
	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound, advertising portion:			
Zones 1 and 2...	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8

Air transportation

Section 104(a)(1) of the House bill adds subsection (d) to section 4359 of title 39, U.S. Code to authorize the transportation by air on a space-available basis of second-class publications, upon request by the publisher or news agent and the payment of the regular rate of postage plus additional charges prescribed by the Postmaster General in an amount equal to the allocated costs incurred by the Department for the delivery of such matter by air which is in excess of the allocated costs which would have been incurred for surface transportation.

The conference substitute includes a similar provision authorizing the transportation by air on a space-available basis of such publications, and adds a requirement that the additional charges, plus the regular postage, shall be not less than 4 cents per piece.

Surcharge

Section 104(a)(1) of the House bill adds subsection (f) to section 4359 of title 39, U.S. Code, to apply a surcharge of 0.3 cents per copy in addition to the regular postage when more than 500,000 copies per issue are mailed at the regular second-class rates. The surcharge is payable only on (1) each copy in excess of 500,000 copies per issue mailed at the original point of entry, and (2) each copy mailed at other than the original point of entry.

The conference substitute does not include a comparable provision.

Separation of mail

Section 111 of the House bill amends section 4363 of title 39, United States Code, to require publishers and news agents to prepare second-class mail matter for mailing "in the manner directed by the Postmaster General".

Section 111 of the conference substitute provides that the Postmaster General "may" require publishers and news agents "to separate, make up, and address second-class matter, in such manner as he directs, in accordance with a 5-digit ZIP code system".

Inserts and advertising supplements

Section 115 of the House bill added a new section 4656 to title 39, United States Code, entitled "Enclosures mailed with second-class publications", to require that bills or receipts mailed with the publications entered as second-class mail, either loose or bound in publications, and advertising supplements mailed with such publications, shall be charged postage at first-, third-, or fourth-class rates, as appropriate, had such matter been mailed other than with the publications.

The conference substitute contains no comparable provision. However, section 104(c) amends section 4365 of title 39, United States Code, to exclude "bills" from the list of permissible items that may be mailed at second-class rates, so as to require the payment of first-class postage.

Considerable concern exists on the part of the managers of the conference that existing postal regulations relating to advertising supplements are not being enforced. The managers of both the Senate and the House have promised to hold hearings on this subject early next session.

Third-Class Mail

Bulk rate regular

Section 107(a) of the House bill amends section 4452 of title 39, United States Code, to provide a minimum charge per piece of 3.8 cents for regular matter mailed on or after January 7, 1968.

The conference substitute provides a minimum charge per piece of 3.6 cents, effective January 7, 1968, and 4 cents on July 1, 1969, except that the rate for the first 250,000 pieces mailed by any one mailer in one year shall be 3.8 cents per piece. The term "mailer" in the immediately preceding sentence refers to the person of firm initiating or sponsoring the mailing and for whose benefit it is made.

Bulk rate nonprofit

Section 107(a) of the House bill amends section 4452 of title 39, United States Code, to provide the minimum charge effective January 7, 1968, of 1.9 cents per piece for matter mailed by qualified nonprofit organizations except that a minimum charge of 1.3 cents per piece is prescribed for matter mailed by qualified nonprofit organizations (1) which are organized for charitable, religious, or general health purposes, and are engaged predominantly in the accomplishment of of such purposes, or (2) when such matter mailed by qualified nonprofit organizations consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

Section 107(a) of the conference substitute provides for a minimum charge per piece for bulk nonprofit third-class mailings in an amount equal to 40 per centum of the minimum charge of 3.6¢ and 4.0¢ per piece prescribed for regular bulk mailings.

The conference substitute eliminates any distinction for mailings by nonprofit organizations organized for charitable, religious, or general health purposes, or for mailings consisting wholly of solicitations of funds.

Special Rate Fourth-Class Mail

General rate

Section 108(a)(1) of the House bill amends section 4554 of title 39, United States Code,

to provide a general rate of 16 cents for the first 2 pounds and 6 cents for each additional pound.

The conference substitute provides a rate of 12 cents for the first pound and 6 cents for each additional pound.

The conference substitute also adds "scholarly bibliography" to the definition of books, which is included in both the House and the conference substitute provisions.

Library rate

Section 108(a)(2) of the House bill amends section 4554 of title 39, United States Code, to provide a library rate of 8 cents for the first 2 pounds, and 3 cents for each additional pound.

The conference substitute establishes a rate of 5 cents for the first pound, and 2 cents for each additional pound.

Invoices

Section 101(d) of the House bill, and section 101(b) of the conference substitute, both amend section 4251(a) of title 39, United States Code, to require that "bills and statements of account" be mailed at first-class rates.

Section 115 of the conference substitute amends section 4555(a) of title 39, United States Code, to permit invoices "whether or not also serving as bills, if they relate solely to the matter with which they are mailed", to be enclosed with fourth-class matter. This provision constitutes an exception to the requirement that bills be mailed at first-class rates. Invoices serving as bills also may be enclosed with third-class matter under 39 U.S. Code 4453, authorizing third-class matter to include enclosures that are permissible in the case of fourth-class matter.

Miscellaneous

Section 108 of the conference substitute, amending section 4554 of title 39, United States Code, relating to the special rate for certain fourth-class mail matter, adds several items to the categories entitled to such special rates, as follows:

(1) "Playscripts" was added to the general rate items (section 4554(a)(6)).

(2) The library rate (section 4554(b)) is amplified so that the institutions between which the items may be mailed include "museums and herbaria", and that the material to be mailed includes "museum materials, specimens, collections, teaching items, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria".

(3) A technical correction is made to include "to or from" in section 4554(a)(2), relating to the prohibition against mailing films to or from commercial theaters.

Conforming Amendments

Section 114 of the conference substitute, amending sections 4653 and 4654 of title 39, United States Code, relating to matter for the blind and other handicapped persons, adds a requirement that the physical impairment of such persons be certified by competent authority.

Section 120(a) of the conference substitute contains three amendments to the public service provisions of section 2303 of title 39, United States Code, to conform with several provisions of the conference substitute, as follows:

(1) Subparagraph (a)(1)(A), relating to public service losses due to "reduced rates for certain publications as provided by section 4359" is repealed.

H.R. 7977 moves the reduced rate publications from section 4359 to section 4358, which are covered as public service items in subparagraph (a)(1)(C).

(2) Subparagraph (a)(1)(D), relating to free postage for the blind, is rewritten to include free postage for similar handicapped persons who are included in the free mailing provision by section 114 of the conference substitute.

(3) Subparagraph (a)(1)(I), relating to reduced rates on "educational material" under section 4554, is amended by omitting the word "educational" to conform with the omission of the word "educational" from the section heading of section 4554 by section 108(c).

Section 120(b) of the conference substitute repeals paragraph (6) of section 4552(c), relating to size and weight limits of Braille writers and similar items for the blind, to conform with the new provisions of section 4653 as amended by section 114 of the conference substitute, which authorized the Postmaster General to fix the size and weight limits of such items mailed free of postage to the blind or other handicapped persons.

Effective Dates

Section 119 of the conference substitute advances the effective date for many of the postal rate provisions, which was prescribed by section 119 of the House bill, so that all of title I of the conference substitute shall become effective on January 7, 1968.

Title II—Federal salary increases

Pay Conversion Rules

The rules under the House bill for conversion of employees to the new salary schedules provide that, an employee receiving basic pay immediately prior to the effective date of the new schedules at a rate in excess of the maximum rate for his grade, shall be converted to—

- (1) the maximum rate for his grade at the new schedule, or
- (2) his existing rate of basic pay if such existing rate is higher.

This rule is applied under the House bill to General Schedule employees under section 202(b)(3) and to Postal Field Service employees under section 205(e)(4) and section 205(g)(2).

The conference substitute added a requirement that the existing rate, when higher than the new maximum rate, be increased by the amount of the applicable pay increase.

Fourth-Class Postmasters

Section 205(c) of the House bill amends section 3544, title 39, United States Code, to provide a new method of fixing the annual rate of basic compensation of postmasters at fourth-class post offices. The position of such a postmaster is to be ranked in salary level 6 of the Postal Field Service Schedule, and the annual rate of basic compensation of the particular postmaster will be an amount which bears the same ratio to the annual rate of basic compensation for full-time service "as the total number of hours of service" bears to the total number of hours of full-time service.

Section 205(c) of the conference substitute contains similar provisions, but requires that "the average number of hours of service per day" be used as the basis for computing the ratio in lieu of "the total number of hours of service", as provided in the House bill.

Subsection (c) of section 3544, as amended by section 205(c) of the House bill, also provided that the quarters allowance for postmasters at fourth-class post offices be based on 15 per centum of the rate of compensation for PFS-6, Step 1.

The conference substitute requires the quarters allowance to be based on 15 per centum of the pro rata rate of basic compensation of PFS-6, Step 1, applicable to the particular postmaster.

Special Postal Salary Ranges

Sections 207 (c) and (d) of the House bill amend section 5303(a) of title 5, United States Code, and add a new section 3561 to such title, to authorize the President to delegate to the Postmaster General authority to fix rates of compensation for positions unique to the Postal Field Service, above the minimum rate of the grade in localities where recruitment or retention is handi-

capped. Existing law authorizes the President to delegate such authority to the Civil Service Commission.

The conference substitute does not include comparable provisions.

Effective Date

Section 212(2) of the House bill provides that the third comparability pay adjustment for employees would become effective April 1, 1969.

Section 212(2) of the conference substitute provides that the third-phase increase will become effective July 1, 1969.

Commission on Executive, Legislative, and Judicial Salaries

Section 216 of the House bill establishes a special Pay Commission to determine the proper levels for executive, congressional, and judicial salaries once every four years. The recommendations of the Commission would be considered by the President, who would make such recommendations to the Congress as he felt appropriate with respect to rates of pay and amounts and kinds of expenses and allowances. The recommendations would become effective at the beginning of the first pay period which begins after the thirtieth day following the transmission to the Congress, unless Congress, in the meantime, has enacted legislation contrary to such recommendations.

Section 225 of the conference substitute contains similar provisions except that the authority of the Commission shall not apply to the amounts and kinds of expenses or allowances.

Absorption of Costs

Section 225 of the House bill requires agencies, except the Post Office Department, to absorb certain of the pay cost increases which

would be in excess of the total amount included for such costs in the budget of the United States Government for the fiscal year ending June 30, 1968.

The conference substitute does not contain a comparable provision.

However, the managers on the part of the House emphasize that the elimination of the provisions requiring the absorption of costs is not to be interpreted as a retreat from the principle of economy. The managers have agreed to this elimination in view of the delay in obtaining final enactment of the legislation, and the fact that there would be less than six months remaining during the current fiscal year during which the agencies would be required to absorb this cost. It is the desire of the managers that the heads of each executive agency review with meticulous care each vacancy resulting from voluntary resignation, retirement, or death, and determine whether the duties of the position can be reassigned to other employees, or whether the position can be abolished without seriously affecting the execution of essential functions.

It is not the intent of the managers that any individual be separated from the service by reduction-in-force or other personnel action, or that they be placed in a leave-without-pay status by reason of any increased cost that may be occasioned by enactment of the pay increases. However, each agency is cautioned to trim their expenditures wherever possible to take care of these costs.

Legislative and Judicial Salaries

The differences in rates of compensation for, and in provisions relating to, certain officers and employees of the Legislative and Judicial Branches are set forth below.

House		Conference substitute
U.S. attorneys.....	Sec. 211 provides increases in compensation for assistant U.S. attorneys.	A provision is added to authorize increases for assistant U.S. attorneys as well as U.S. attorneys.
Commissioners, U.S. Court of Claims.	No provision.....	Sec. 213(e) amends sec. 792(b) of title 28, United States Code, to increase the rate of compensation for Commissioners, U.S. Court of Claims, from \$26,000 to \$29,000.
Senate employees.....	Contains no provision relating to increases in rates of compensation for Senate employees.	Sec. 214 (g) to (n) contains the usual authority authorizing comparability increases in compensation granted under sec. 201 of the conference substitute.
Dual compensation.....	No provisions.....	Sec. 214(o) amends sec. 5533(c) of title 5, United States Code, relating to dual compensation applicable to legislative employees paid by the Secretary of the Senate, the Clerk of the House of Representatives, or the Architect of the Capitol. The limitation of \$5,987 per year prescribed by the existing provisions of law, as amended by Public Law 90-57, for employees in positions with rates of compensation fixed at a single gross per annum rate, is increased to \$6,256 per annum, to correspond with the 4.5 percent pay increase granted to legislative employees. Continues the \$2,000 per annum limitation which applies to the pay of employees in positions for which the rate of compensation is fixed by a basic rate plus additional compensation authorized by law.

Miscellaneous Provisions

Uncontrollable overtime

Section 218 of the House bill amended section 5545(c)(2), relating to uncontrollable overtime duty, to remove the limitation of "not in excess of 15 per cent" and inserted "not less than 20 per cent nor more than 30 per cent".

Section 217 of the conference substitute provides for not less than 10 per cent nor more than 25 per cent.

Employees on leave without pay serving certain labor organizations

Sections 220 and 221 of the House bill amend the various provisions of title 5, United States Code, relating to Group Life Insurance, Health Benefits, and Retirement, to permit employees on approved leave without pay, who are serving as full-time officers or employees of a labor organization which includes both Federal and private employees, to come within the provisions of such employee benefit programs.

The conference substitute does not contain comparable provisions.

Nepotism

Section 222 of the House bill prohibits a public official of the Government of the United States from appointing or recommending for appointment or promotion to a position in the agency in which he is serving, or over which he exercises jurisdiction or control, any person who is a relative of such official.

Section 221 of the conference substitute clarifies the language of the provision to conform with the provisions of title 5, United States Code; amplifies the definition of relatives by adding to the definition "husband, son-in-law, daughter-in-law, half-brother or half-sister"; contains an authorization for the Civil Service Commission to prescribe regulations permitting the greater employment of individuals whose employment otherwise would be prohibited by this provision in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances; and includes an exemption covering situations where the individual is a preference eligible and his being passed over would result in the selection of a nonpreference eligible.

Wage board classification appeals

Section 223 of the conference substitute adds a new section 5345 to title 5, United States Code, to extend to a Wage Board employee the right of an appeal to the Civil Service Commission for the review of action by an agency in clarifying his position for pay purposes.

The House bill had no comparable provision.

Travel time

Section 224 of the House bill rewrites present law (5 U.S.C. 5542(b)) and adds a new section 5542a, to authorize Federal employees generally (not including Wage Board or Postal Field Service employees) to count time spent in actual travel outside regular hours of work for overtime, Sunday, or holiday pay purposes.

The time authorized to be counted by employees below GS-10, or an employee in a comparable position, is actual travel time in traveling—

- (1) during an emergency;
- (2) between place of work or lodging and temporary assignment on the same day;
- (3) the first or last four hours to or from an overnight stop; and
- (4) on nonworkdays during hours corresponding to regular working hours.

Section 222(a) of the conference substitute revises existing provisions of section 5542(b), and adds two additional situations during which travel time will count as hours of work—

- (1) time incident to travel that involves the performance of work while traveling; and
- (2) travel that results from an event which could not be scheduled or controlled administratively.

Section 222(b) of the conference substitute adds a new subsection (e) to section 3571 of title 39, United States Code, to include authority for Postal Field Service employees to count travel time as hours of work under similar circumstances.

Section 222(d) of the conference substitute amends section 5545(a) of title 5, United States Code, to grant similar benefits to Wage Board employees.

Section 222(c) of the conference substitute adds a new section 5733 of title 5, United States Code, requiring that travel of an employee shall be by the most expeditious means of transportation practicable, and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel.

The managers on the part of the House recognize that matters relating to travel of government employees ordinarily are considered in the House by the Committee on Government Operations. However, these provisions were added by the Senate and are part of the section adopted by the conferees.

Concern was expressed by the managers in connection with the new requirement that the travel be by the most expeditious means of transportation because of information that at least one agency, the State Department, has a prescribed number of miles per day which an employee is required to travel in considering his pay, leave, and per diem status during the period of travel. It is understood that this requirement is a part of the Uniform State, Aid, USIA, and Foreign Service Travel Regulations, section 145.4—2.

There was not sufficient time for the conferees to obtain information on this question, and the Bureau of the Budget and the General Accounting Office are requested to review this or any similar regulation, and furnish necessary information as to the justification for such a practice, to the appropriate congressional committees.

Annuity computation

Section 224(b) of the conference substitute amends 5 U.S.C. 8339(e) (2), limiting retirement annuity for Members to 80 per

cent of "the final basic pay of the Member", to permit a Member who accepts an appointive position to elect to have his annuity computed or recomputed on the basis of the final basic pay of the appointive position.

The House bill had no comparable provision.

Allowances for former Presidents

Section 224(c) of the conference substitute amends section 1(b) of the Act of August 25, 1958 (3 U.S.C. 102, note) to increase the maximum amount of office expense funds available for payment of staff members of former per annum to \$80,000 per annum, and increases the maximum salary of one staff member from the maximum salary level of a member of a Senator's staff to the salary of Level II of the Executive Schedule under 5 U.S.C. 5313.

Office of Economic Opportunity employees

Section 226 of the House bill prohibited employees of the Office of Economic Opportunity from receiving any increase in basic salary by reason of the enactment of this Act.

The conference substitute contains no comparable provision.

Title IV—Federal employees' life insurance

Title IV of the conference substitute amends the Federal Employees' Group Life Insurance program, 5 U.S. Code, Chapter 87, to provide additional life insurance, to strengthen the financial condition of the Insurance Fund, and to authorize the purchase of optional insurance coverage.

Section 401 amends Section 8704(a) of title 5, United States Code, to provide life insurance (and an equal amount of accidental death and dismemberment insurance) equal to the employee's annual pay, rounded to the next higher \$1,000, plus \$2,000; a minimum of \$10,000; and a maximum of \$32,000. The maximum will be raised correspondingly whenever Level II of the Executive pay schedule is increased.

Sections 402 and 403 amend Sections 8707 and 8708(a), respectively, to provide for mandatory establishment of a premium contribution rate equal to the level cost of the insurance, such contribution rate to be established by the Civil Service Commission and revised from time to time as required to make any changes in the actual level cost of the program. The employee will continue to pay two-thirds of the cost and his employing agency will continue to pay one-third. The existing 25¢ per \$1,000 limitation on the employee's biweekly contribution is repealed. The revision will have the desirable effect of fully financing the cost of the benefits provided.

Section 404 adds a new section, 8714a, to title 5, U.S. Code, authorizing the Commission to make available to employees, for purchase at their own expense, additional optional life insurance in amounts to be determined by the Commission. While certain statutory requirements are prescribed, the optional coverage would be made available under such conditions as the Commission shall prescribe. It would be provided by the insurance industry in the same manner as the regular insurance; would continue into retirement the same as regular insurance, if purchased at the first opportunity or in force for twelve years immediately preceding retirement; would reduce 2% a month, down to 25%, beginning at retirement or age 65, whichever occurs later; would include an equal amount of accidental death and dismemberment protection up to the time of retirement but not thereafter; and would be paid for, through deductions from the employee's salary or annuity, the Government paying no part of the cost of such coverage. Such optional insurance may not exceed \$10,000, or an amount which, when added to the basic coverage, does not exceed a participating employee's annual salary.

Section 405 provides that increases in premiums made in the regular insurance program would be effective approximately sixty days after enactment, the provisions not affecting any employee who resigned, retired, or died prior to the time of enactment. It further provides that the optional insurance provisions will become effective between 90 to 180 days after enactment.

Section 406 makes the Insurance Fund available for payment of expenses incurred in administering the optional insurance provisions, as it is presently available for the purpose of carrying out the existing program.

The House bill contains no similar provisions.

T. J. DULSKI,
DAVID N. HENDERSON,
ARNOLD OLSEN,
MORRIS UDALL,
DOMINICK V. DANIELS,
G. CUNNINGHAM,

Managers on the Part of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HICKS (at the request of Mr. MEEDS), on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RANDALL, for 10 minutes, today.

Mr. HANNA, for 15 minutes, today.

Mr. CAHILL (at the request of Mr. HAMMERSCHMIDT) for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. ZABLOCKI in two instances and to include extraneous matter.

Mr. RYAN in three instances.

Mr. O'NEILL of Massachusetts (at the request of Mr. MONTGOMERY) and to include extraneous matter, notwithstanding in the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$275.

(The following Members (at the request of Mr. HAMMERSCHMIDT) and to include extraneous matter:)

Mr. PELLY in three instances.

Mr. ROBISON in two instances.

Mr. SKUBITZ in two instances.

Mr. HARVEY.

Mr. BOW in five instances.

Mr. LANGEN.

Mr. BUTTON.

Mr. WYMAN in three instances.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. RESNICK.

Mr. HELSTOSKI in two instances.

Mr. MULTER in eight instances.

Mr. BOLAND in three instances.

Mr. PATTEN.

Mr. GATHINGS.

Mr. WOLFF.

Mr. DINGELL.

Mr. UDALL in six instances.

Mr. RHODES of Pennsylvania in two instances.

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued December 12, 1967
For actions of December 11, 1967
90th-1st; No. 202

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HIGHLIGHTS: House agreed to conference versions of continuing appropriations measure, pay-raise and postal-rates bill, and poverty bill. House received conference report on San Rafael Wilderness bill. House committee reported bills to authorize marketing orders on pears, expand RC&D projects cost-sharing, and adjust wheat allotments. Senate passed bills to authorize transfer of peanut acreage allotments and to provide one-price program for extra-long-staple cotton. Rep. Berry submitted and discussed measure urging embargo on meat imports from countries with foot-and-mouth disease.

HOUSE

1. APPROPRIATIONS. By a 366-26 vote, agreed to the conference version of H. J. Res. 888, the continuing appropriations measure (see Digest 200 for provisions). pp. H16572-85
The Daily Digest says the House will consider the supplemental appropriation bill today, Dec. 12. p. D1115
House conferees were appointed on H. R. 13893, the foreign aid appropriation bill. Senate conferees have been appointed. p. H16556

2. PAY RAISE; POSTAL RATES. By a 327-63 vote, agreed to the conference version of H. R. 7977, the pay-raise and postal-rates bill. pp. H16585-617
3. POVERTY. By a 247-149 vote, agreed to the conference report on S. 2388, the poverty bill. This bill will now be sent to the President. pp. H16558-72, H16619, H16632, H16639-40
4. FORESTRY. Received the conference report on S. 889, to designate the San Rafael Wilderness, Los Padres National Forest, Calif. (H. Rept. 1029). p. H16618
Rep. Conelan inserted and discussed an article criticizing the Georgia-Pacific Co. for continuing to cut redwoods that are being considered for a national park. p. H16670
5. SOCIAL SECURITY. Received the conference report on H. R. 12080, the social security bill (H. Rept. 1030) (pp. H16684-705). Rep. Albert said this bill is to be considered Dec. 13 (p. H16556).
6. PEARS; RC&D PROJECTS; WHEAT. The Agriculture Committee reported with amendment H. R. 10564, to authorize marketing orders for pears (H. Rept. 1019), and S. 852, to authorize cost sharing for recreation and fish-wildlife in Resource Development and Conservation projects (H. Rept. 1020). p. H16707
The Agriculture Committee reported without amendment S. 1722, to provide for adjustment of wheat allotments in counties where wheat is the principal grain crop and where allotments are low in relation to cropland because farmers shifted prior to 1951 from wheat to an alternative crop or crops which have proved unprofitable because of plant disease or sustained loss of markets (H. Rept. 1021). p. H16707
7. MARKETING ORDERS. Rep. McFall commended the marketing orders program. p. H16654
8. EDUCATION. Conferees were appointed on H. R. 7819, the elementary and secondary education bill. Senate conferees have not been appointed. pp. H16617-8
9. COPPER IMPORTS. Rep. Olsen objected to the present level of copper imports. pp. H16631-2
10. FOOD PRICES. Rep. Zwach inserted an article stating that use of the supply-demand theory decreases the amount of food available. p. H16634
11. TELEPHONE LOANS. Rep. Nelsen objected to REA loans to large telephone companies. pp. H16640-1
12. MEAT INSPECTION. Rep. Smith, Iowa, inserted and discussed a statement of practices followed by some meat companies. pp. H16677-8

SENATE

13. COTTON; LANDS. Passed as reported H. R. 10864, to authorize the Secretary of Agriculture to convey certain lands in Saline Co., Ark., to the Dierks Forests, Inc. Sen. Jordan, N. C., explained the committee amendments as follows: "... first, provide price-support loan for extra-long-staple cotton at $1\frac{1}{2}$ to 2 times the support loan level for upland cotton, but in no event less than 35 cents per pound. As in the case of upland cotton, payments would be made to producers to bring the total support from 65 to 90 percent of parity. Price support

The question was taken; and there were—yeas 366, nays 26, not voting 40, as follows:

[Roll No. 431]

YEAS—366

Abbutt	Eckhardt	Leggett
Abernethy	Edmondson	Lennon
Adair	Edwards, Ala.	Lipscomb
Adams	Edwards, La.	Lloyd
Addabbo	Eilberg	Long, La.
Albert	Esch	Long, Md.
Anderson, Ill.	Eshleman	McCarthy
Anderson, Tenn.	Evans, Colo.	McClary
Andrews, Ala.	Evelett	McClure
Andrews, N. Dak.	Evins, Tenn.	McCulloch
Arends	Fallon	McDade
Ashley	Fascell	McDonald, Mich.
Ashmore	Feighan	McEwen
Aspinall	Findley	McFall
Ayres	Fisher	McMillan
Baring	Flood	Macdonald, Mass.
Barrett	Flynt	MacGregor
Battin	Foley	Madden
Belcher	Ford, Gerald R.	Mahon
Bennett	Fraser	Mailliard
Berry	Friedel	Marsh
Betts	Fulton, Pa.	Mathias, Calif.
Bevill	Fulton, Tenn.	May
Blester	Fuqua	Mayne
Bingham	Galifianakis	Meeds
Blackburn	Gallagher	Meskill
Blanton	Gardner	Miller, Calif.
Blatnik	Garmatz	Miller, Ohio
Boggs	Gathings	Mills
Boland	Gettys	Minish
Bolton	Gialimo	Minshall
Bow	Gibbons	Mize
Brademas	Gonzalez	Monagan
Brasco	Goodell	Montgomery
Bray	Goodling	Moore
Brinkley	Gray	Moorhead
Brock	Green, Oreg.	Morgan
Brooks	Green, Pa.	Morris, N. Mex.
Brotzman	Griffiths	Morse, Mass.
Brown, Calif.	Gross	Morton
Brown, Mich.	Grover	Mosher
Brown, Ohio	Gubser	Murphy, Ill.
Broyhill, N.C.	Gude	Murphy, N.Y.
Broyhill, Va.	Gurney	Myers
Buchanan	Hagan	Natcher
Burke, Fla.	Haley	Nelsen
Burke, Mass.	Hall	Nix
Burleson	Halpern	O'Hara, Ill.
Burton, Utah	Hamilton	O'Hara, Mich.
Bush	Hammer	Olsen
Byrne, Pa.	schmidt	O'Neal, Ga.
Byrnes, Wis.	Hanley	Ottinger
Cabell	Hanna	Passman
Cahill	Hansen, Idaho	Patman
Carey	Hansen, Wash.	Patten
Casey	Harvey	Pelly
Cederberg	Hathaway	Pepper
Celler	Hays	Perkins
Chamberlain	Hébert	Pettis
Clancy	Hechler, W. Va.	Philbin
Clark	Hicks	Pickle
Clausen, Don H.	Hollifield	Pike
Clawson, Del.	Holland	Pirnie
Cleveland	Horton	Poage
Collier	Howard	Poff
Colmer	Hull	Pollock
Conable	Hungate	Pool
Conte	Hunt	Price, Ill.
Corbett	Hutchinson	Price, Tex.
Corman	Ichord	Pryor
Cramer	Irwin	Pucinski
Culver	Jacobs	Purcell
Cunningham	Jarman	Quie
Curtis	Joelson	Quillen
Daddario	Johnson, Calif.	Railsback
Daniels	Johnson, Pa.	Randall
Davis, Ga.	Jonas	Rarick
Davis, Wis.	Jones, Ala.	Reid, Ill.
Dawson	Jones, Mo.	Reid, N.Y.
de la Garza	Jones, N.C.	Reifel
Delaney	Karsten	Reinecke
Dellenback	Karth	Rhodes, Ariz.
Denney	Kazen	Rhodes, Pa.
Dent	Kee	Riegle
Derwinski	Keith	Roberts
Devine	Kelly	Robison
Dole	King, Calif.	Rodino
Donohue	Kirwan	Rogers, Colo.
Dorn	Kleppe	Rogers, Fla.
Dow	Kluczynski	Ronan
Dowdy	Kornegay	Rooney, N.Y.
Downing	Kupferman	Rooney, Pa.
Dulski	Kyl	Rostenkowski
Duncan	Kyros	Roth
Dwyer	Laird	Roudebush
	Landrum	
	Langen	
	Latta	

Roush
Rumsfeld
Ruppe
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Springer
Stafford
Staggers

Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner

Waldie
Walker
Wampler
Watkins
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Miss.
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wright
Wylder
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—26

Ashbrook
Burton, Calif.
Cohelan
Conyers
Diggs
Dingell
Edwards, Calif.
Farbstein
Ford
William D.

Gilbert
Hawkins
Helstoski
Kastenmeier
Michel
Mink
Moss
Nedzi
O'Konski
Rees

Reuss
Rosenthal
Roybal
Ryan
Scheuer
Wilson
Charles H.
Yates

NOT VOTING—40

Annunzio
Bates
Bell
Bolling
Broomfield
Button
Carter
Cowger
Dickinson
Erlenborn
Fino
Fountain
Frelinghuysen

Halleck
Hardy
Harrison
Harsha
Heckler, Mass.
Henderson
Herlong
Nosmer
King, N.Y.
Kuykendall
Lukens
Martin
Mathias, Md.

Matsunaga
Multer
Nichols
O'Neill, Mass.
Resnick
Evers
St. Onge
Snyder
Stratton
Ullman
Watson
Willis
Wyatt

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Halleck.
Mr. St. Onge with Mr. Bates.
Mr. Fountain with Mr. Frelinghuysen.
Mr. Willis with Mr. Snyder.
Mr. Hardy with Mr. Harrison.
Mr. Nichols with Mr. Martin.
Mr. Resnick with Mr. Cowger.
Mr. Henderson with Mr. Fino.
Mr. Herlong with Mr. Carter.
Mr. Stratton with Mr. Erlenborn.
Mr. Hicks with Mr. Wyatt.
Mr. Rivers with Mr. Broomfield.
Mr. Matsunaga with Mr. Kuykendall.
Mr. Multer with Mr. King of New York.
Mr. O'Neill of Massachusetts with Mr. Hosmer.
Mr. Ullman with Mr. Harsha.

Mr. FARBSTAIN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on House Joint Resolution 888.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORRECTION OF THE RECORD

Mr. MAHON. Mr. Speaker, I ask unanimous consent to correct the RECORD on several printing errors contained in the statement of the managers which accompanies the conference report on the continuing resolution (H.J. Res. 888) as it appears in the CONGRESSIONAL RECORD of December 7, 1967.

I ask unanimous consent to correct the permanent RECORD in three instances:

First. In the center column on page 16458, the first paragraph under amendment No. 2, change "fiscal year 1966" to "fiscal year 1968".

Second. In the third column on page 16459, under section 202(a)(2), change the second subsection to read "(ii) 10 percent of the amount included in such estimates for objects other than personnel compensation and benefits."

Third. Delete the last sentence of section 205 appearing at the bottom of page 16459 and the top of page 16460 which begins with the word "Nothing" and ends with the word "Congress."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I was not able to follow the gentleman, but I understood by his remarks that a statement that was in the text of the statement on the part of the managers was included as though it were a part of the bill. Now the gentleman has taken out the statement, and would he be restoring it as part of the statement on the part of the managers?

Mr. MAHON. In answer to the gentleman's inquiry, I would answer, Yes, there was a printing error.

Mr. WHITTEN. I just wanted to be sure that it was not stricken out of one place without being added in the other.

I thank the gentleman for yielding.

CORRECTION OF VOTE

Mr. HALPERN. Mr. Speaker, on roll-call No. 429, I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967—CONFERENCE REPORT

Mr. DULSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 7977) to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. For what purpose does the gentleman from Iowa [Mr. GROSS] rise?

Mr. GROSS. Mr. Speaker, I desire to submit a point of order against the conference report.

The SPEAKER. The gentleman will state his point of order.

Mr. GROSS. Mr. Speaker, I make a point of order against the conference report on the grounds that the House managers exceeded their authority and did not confine themselves to the differences committed to them, in violation of the rules and precedents of the House of Representatives.

The House bill, in section 107(a) provided a minimum charge of 3.8 cents for bulk third-class mail effective January 7, 1968. Section 107(a) of the Senate amendment provided a two-step minimum charge—the first of 3.6 cents effective January 7, 1968, and a second 4-cent rate effective January 1, 1969.

The differences committed to the conferees with respect to this postage rate and the effective dates for this rate were: A rate range between 3.6 cents and 4 cents; a January 7, 1968, effective date for a one-rate charge with no further rate provided; and January 7, 1968, and January 1, 1969, effective dates for any two-rate charges.

The conference report contains a two-rate charge—the first, 3.6 cents, effective January 7, 1968; the second, 4 cents, effective July 1, 1969.

The July 1, 1969, effective date for a second rate goes beyond the disagreements confided to the conferees. By agreeing to any effective date for a second rate beyond January 1, 1969, the House managers have clearly exceeded their authority.

Mr. Speaker, the precedents of the House, Cannon's Precedents, volume VIII, section 3264, have established that where two Houses fix different periods of time the conferees have latitude only between the two, but may not go beyond the longer nor within the shorter.

On March 2, 1915—third session, 53d Congress—CONGRESSIONAL RECORD, page 5208, the conference report was presented on S. 5259, to establish mail lines with foreign countries and known as the ship purchase bill.

Mr. Mann raised a point of order against the conference report on the grounds that it contained certain matter not properly before the conferees.

As passed by the Senate the bill would have gone into effect immediately.

As passed by the House, the bill contained an effective date of 2 years after passage.

The conference report provided an effective date of 3 years after passage.

Speaker Clark of Missouri sustained the point of order by stating:

If there is anything settled about a conference between the two Houses it is this: Where two amounts are named, and the question is referred to Conferees, they may oscillate as much as they please between the two extremes, but they cannot go below the lower amount and they cannot go above the higher.

But the limit of time was fixed at two years, and the Conferees extended it to three years. If they could extend it beyond two

years, they could extend it until the end of time. Their limit was from zero to two. In the nature of things they could not go below zero; under the practice of the Houses they could not go higher.

The Chair sustains the point of order.

Rule 28, clause 3 of the Rules of the House reads:

Whenever a disagreement to an amendment in the nature of a substitute has been committed to a conference committee it shall be in order for the Managers on the part of the House to propose a substitute which is a germane modification of the matter in disagreement, but their report shall not include matter not committed to the conference committee by either House.

The Senate bill was an amendment—in the nature of a substitute for the House bill. The conference report is an additional substitute on the same subject. However, the conference report distinctly includes matter not committed to the conferees by either House, and I make the point of order on that basis.

Mr. Speaker, this conference report is another case where expediency has been given priority over the rules and precedents of this House and over orderly procedures. I cannot, in good conscience, participate in such maneuverings and, therefore, make the point of order on that basis only.

The SPEAKER. Does the gentleman from New York desire to be heard on the point of order?

Mr. DULSKI. Mr. Speaker, I concede the point of order.

The SPEAKER. The Chair sustains the point of order.

The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That this Act may be cited as the 'Postal Revenue and Federal Salary Act of 1967'.

"TITLE I—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

"(b) Section 4251(a) of title 39, United States Code, is amended by striking out 'and (4)' and inserting in lieu thereof '(4) bills and statements of account, and (5)'.

"(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

"(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

"AIRMAIL

"SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

"(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.75	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3.	\$0.48
Zone 4.	.50
Zone 5.	.56
Zone 6.	.64
Zone 7.	.72
Zone 8.	.80."

"(2) by deleting paragraph (2).

"(c) Section 4303(f) of title 39, United States Code, is amended by striking out 'the Virgin Islands or the Canal Zone' wherever appearing therein and inserting in lieu thereof 'or the Virgin Islands'.

"(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word 'eight' and inserting in lieu thereof the figure '7'.

"SECOND-CLASS MAIL PREFERRED RATES

"SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

"(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

	" [In cents]		
	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece..	.2	.2	.2;

"(2) by adding at the end thereof the following:

"(d) (1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

" [In cents]

	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.14	.15	.15	.15	.15

"(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

"(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during the twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsection (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the

county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans', fraternal, nonprofit educational television stations, educational television agencies operated by a State or a political subdivision thereof, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.";

"(3) by amending the section heading to read as follows:

" § 4358. Rates of postage; preferred'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

" '4358. Postage rates within county of publication.'"

and inserting in lieu thereof—

" '4358. Rates of postage; preferred.'"

"SECOND-CLASS MAIL REGULAR RATES

"SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

"(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

	" [In cents]		
	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, and, when added to lawfully required postage, shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title.";

"(2) by amending the section heading to read as follows:

" '4359. Rates of postage; regular'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

" '4359. Postage rates beyond county of publication.'"

and inserting in lieu thereof—

" '§ 4359. Rates of postage; regular'.

"(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out 'bills,'"

"SECOND-CLASS TRANSIENT MAIL

"SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out 'four cents' and inserting in lieu thereof '5 cents'.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

" § 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]"

	"Mailed during calendar year 1968"	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.3	15.1	16.0
Minimum charge per piece..	1.9	2.9	3.8"

"THIRD-CLASS MAIL

"SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed during calendar year 1968	Mailed after Dec. 31, 1968	
	Cents	Cents	
(1) Individual piece.....	6.0	6.0	First 2 ounces or fraction thereof.
	2.0	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

"(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided under subsection (a), rounded off to the nearest one-tenth cent."

"(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

"SPECIAL RATE FOURTH-CLASS MAIL

"SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

"(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, containing twenty-four pages or more (at least twenty-two of which are printed), consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books, including any accompanying pad of forms or ballots for use in obtaining expressions of opinion with respect to questions related to the subject matter of the book;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;"

"(2) by striking out in subsection (b) (1) '4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof' and inserting in lieu thereof '5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof';

"(3) by inserting in subsection (b) (1) (B) 'museums and herbaria,' immediately following 'public libraries,';

"(4) in subsection (b) (2) by striking out 'and' at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof 'and'; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria;"

"(5) by inserting in subsection (c) 'or narrower width' immediately following '16-

millimeter', and 'museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria,' immediately following 'sound recordings,'; and

"(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

"(b) Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6)'.

"(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates'.

"(c) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"'4554. Postage rates on books and films.' and inserting in lieu thereof—

"'4554. Books, films, and other materials; preferred rates.'"

"[Cents per copy]"

	"Mailed at office of original entry"	Mailed at an office of additional entry during—		
		Fiscal year 1969	Fiscal year 1970	Fiscal year 1971 and thereafter
Published more frequently than weekly.....	1	1.5	2.0	2.5
Published less frequently than weekly:				
Weighing two ounces or less.....	1	1.5	2.0	2.5
Weighing more than two ounces.....	2	2.5	3.0	3.5'

The rates prescribed in section 4359 of this title shall apply to publications published weekly and mailed at additional entry offices and to any publications mailed at an additional entry office which does not have letter carrier service."

"MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

"SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of

"KEYS AND OTHER SMALL ARTICLES

"SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out '6 cents for each two ounces or fraction thereof' and inserting in lieu thereof '14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,'.

"SPECIAL HANDLING SERVICE

"SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

"SEPARATION BY MAILER OF SECOND-CLASS MAIL

"SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§4363. Separation by mailer of second-class mail

"The Postmaster General may require publishers and news agents to make up and address second-class matter in accordance with a 5-digit ZIP code system."

"PRINTING ON SECOND-CLASS COVERS

"SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers."

"ADDITIONAL ENTRY POINTS

"SEC. 113. Section 4358(b) of title 39, United States Code, is amended to read as follows:

"(b) The rates of postage on the following publications admitted as second-class mail, when mailed for delivery by letter carrier at the office of mailing, shall be as follows:

a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

"(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

"(c) Section 4451(d) of title 39, United States Code, is repealed.

"PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

"SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

"(1) by striking out "and" at the end of clause (9);

"(2) by striking out the period at the end of clause (10) and inserting in lieu thereof "; and"; and

"(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

"REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

"SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

"(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

"SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

"SEC. 117. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"GENERAL SCHEDULE

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	
GS-17	23,788	24,581	25,374	26,167	26,960					
GS-18	27,055									

"(A) the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

"(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

"EFFECTIVE DATE

"SEC. 118. This title, except section 113, shall become effective on January 7, 1968. Section 113 shall become effective on July 1, 1968.

"CONFORMING AMENDMENTS

"SEC. 119. (a) (1) Subparagraph (A) of section 2303(a)(1) of title 39, United States Code, is repealed.

"(2) Subparagraph (D) of such section is amended to read as follows:

"(D) free postage on reading matter and other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title;"

"(3) Subparagraph (I) is amended by striking out "educational".

"(b) Section 4552(c) of such title is amended—

"(1) by inserting "and" after the semicolon at the end of paragraph (4);

"(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

"(3) by striking out paragraph (6).

"EDUCATIONAL TELEVISION

"SEC. 120. Section 4355(a) of title 29, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word "or", and by adding after item (10) the following new item:

"(11) published by an educational television agency of a State or political subdivision thereof or by a nonprofit educational television station."

"TITLE II—FEDERAL SALARY INCREASES

"SHORT TITLE

"SEC. 201. This title may be cited as the "Federal Salary Act of 1967".

"EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

"SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

"(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be adjusted retro-

actively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

"(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

"LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

"SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out 'salary levels 19 and 20' and inserting in lieu thereof 'salary levels 20 and 21'.

"CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

"SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading 'POSITIONS' is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"POSTAL FIELD SERVICE SCHEDULE 1

"[To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2.....	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3.....	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4.....	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5.....	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6.....	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7.....	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8.....	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	9,480
9.....	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756	10,005	10,254
10.....	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558	10,828	11,098
11.....	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546	11,846	12,146
12.....	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781	13,115	13,449
13.....	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127	14,495	14,863
14.....	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668	16,081	16,494
15.....	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295	17,753	18,211
16.....	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082	19,584	20,086
17.....	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130	21,690	22,250
18.....	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401	24,023	24,645
19.....	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510	26,162	26,814
20.....	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840	27,566	28,292	29,018	29,744
21.....	24,126	24,932	25,738	26,544	27,350	28,156	28,962	29,768	30,574	31,380	32,186	32,992

"POSTAL FIELD SERVICE SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]"

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	
9	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249		
10	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091		
11	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124		
12	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423		
13	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839		
14	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455		
15	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161		
16	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036		
17	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187		
18	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572		
19	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790		
20	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182				
21	25,333	26,179	27,025	27,871	28,717							

"(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic com-

pensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation

shall be paid to rural carriers in accordance with such schedules.

"RURAL CARRIER SCHEDULE I

"[To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after Oct. 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]"

	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30....	25	25	25	25	25	25	25	25	25	25	25	25

"RURAL CARRIER SCHEDULE II

"[To be effective on the 1st day of the 1st pay period beginning on or after July 1, 1968]"

	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30....	25	25	25	25	25	25	25	25	25	25	25	25

"(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

"(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

"(e) The basic compensation of each employee subject to the Postal Field Service schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal

Field Service Schedule I shall be determined as follows:

"(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

"(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

"(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

"(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

"(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

"(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

"(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

"(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

"3544. Fourth Class Office Schedule."

and inserting in lieu thereof—

"3544. Compensation of postmasters at fourth-class offices."

"CONFORMING AMENDMENTS"

"SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out '(3) revenue unit category, with respect to the Fourth Class Office Schedule.' and inserting in lieu thereof '(3) minimum hours of service with respect to postmasters in fourth-class post offices.'"

"(b) Section 3560 (f) of title 39, United States Code, is amended by striking out '(1) reductions in class or revenue unit category of any post office, or' and inserting in lieu thereof '(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or'."

"(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking 'level PFS-10' and 'level PFS-11', whenever appearing therein, and inserting in lieu thereof 'level PFS-11' and 'level PFS-12', respectively. Subsection (g) of section 3573 is amended by striking out 'PFS-17' and inserting 'PFS-18'."

"(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out 'level PFS-15' and inserting in lieu thereof 'level PFS-16'."

"(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

"SPECIAL SALARY RATE RANGES"

"SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out 'seventh pay rate' and inserting in lieu thereof 'maximum pay rate'."

"(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in sub-

section (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

"EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION"

"SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales"

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule"

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule"

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Class 1.....	\$24,944	\$25,776	\$27,055						
Class 2.....	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336		
Class 3.....	16,616	17,170	17,724	18,278	18,832	19,386	19,940		
Class 4.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207		
Class 5.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346		
Class 6.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121		
Class 7.....	7,816	8,076	8,336	8,596	8,856	9,116	9,376		
Class 8.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084		

"(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870 (a)) is amended to read as follows: 'The per

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule"

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

"FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES"

"SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: 'The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

"Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

"(c) Foreign Service officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

"AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES"

"SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act

(16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"SALARY RATES FIXED BY ADMINISTRATIVE ACTION"

"SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

"(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

"(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

"IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

"SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, shall—

"(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—

"(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

"(B) by 3 per centum, whichever is greater; and

"(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code. Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

"(1) the President pro tempore of the Senate, with respect to the United States Senate;

"(11) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

"(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

"(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

"(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

"JUDICIAL BRANCH EMPLOYEES

"SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, section 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202 (a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202 (a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5."

"(e) Section 792(b) of title 28, United States Code, is amended by striking out '\$26,000' and inserting in lieu thereof '\$29,000'.

"LEGISLATIVE BRANCH EMPLOYEES

"SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is in-

creased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

"(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

"(c) The rate of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

"(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

"(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

"(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

"(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

"(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate, or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term 'officer' does not include a Senator.

"(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing

office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

"(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out '\$180' and inserting in lieu thereof '\$188'.

"(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

" '\$199,280 if the population of his State is less than 3,000,000;

" '\$212,440 if such population is 3,000,000 but less than 4,000,000;

" '\$223,720 if such population is 4,000,000 but less than 5,000,000;

" '\$234,060 if such population is 5,000,000 but less than 7,000,000;

" '\$245,340 if such population is 7,000,000 but less than 9,000,000;

" '\$258,500 if such population is 9,000,000 but less than 10,000,000;

" '\$271,660 if such population is 10,000,000 but less than 11,000,000;

" '\$284,820 if such population is 11,000,000 but less than 12,000,000;

" '\$297,980 if such population is 12,000,000 but less than 13,000,000;

" '\$311,140 if such population is 13,000,000 but less than 15,000,000;

" '\$324,300 if such population is 15,000,000 but less than 17,000,000;

" '\$338,400 if such population is 17,000,000 or more."

"(l) Section 105 of such Act is amended by striking out '\$1,080', '\$6,120', '\$10,620', '\$10,800', '\$14,220', '\$14,400', '\$15,660', '\$15,840', '\$18,180', '\$22,320', '\$23,400', and '\$24,480' wherever they appear in such section and inserting in lieu thereof '\$1,128', '\$6,392', '\$11,092', '\$11,280', '\$14,852', '\$15,040', '\$16,356', '\$16,544', '\$18,988', '\$23,312', '\$24,440', and '\$25,568', respectively.

"(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section, with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading SENATE in the Second Deficiency Appropriations Act, 1948.

"(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended

by striking out '\$540' and inserting in lieu thereof '\$564'.

"(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c)(1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the aggregate gross pay from the positions exceeds \$6,256 a year, and if—

"(A) the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives; or

"(B) one of the positions is under the Office of the Architect of the Capitol.

"(2) For the purpose of this subsection, "gross pay" means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter."

"INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

"Sec. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out '\$28,500' and inserting in lieu thereof '\$29,500'.

"(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out '\$27,000' and inserting in lieu thereof '\$28,750'.

"(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out '\$26,000' and inserting in lieu thereof '\$28,000'.

"SALARY INCREASE LIMITATIONS

"Sec. 216. Except as provided in sections 213 (d) and (e), 214 (a) through (f), 215, and 219, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate now or hereafter in effect for level V of the Executive Schedule in section 5316 of title 5, United States Code.

"UNCONTROLLABLE OVERTIME DUTY

"Sec. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out '15' and inserting in lieu thereof '25'.

"PAYMENT OF RETROACTIVE COMPENSATION

"Sec. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

"(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

"(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SALARIES OF LEGISLATIVE OFFICIALS

"Sec. 219. (a) Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

"(1) in subsection (c), by striking out "\$27,000" and inserting in lieu thereof "\$28,000";

"(2) in subsection (d), by striking out "\$25,000" and inserting in lieu thereof "\$27,250"; and

"(3) in subsection (e), by striking out "\$23,500" and inserting in lieu thereof "\$25,000'.

"(b) Notwithstanding any other provision of law, no officer or employee of the General Accounting Office, the Library of Congress, the Government Printing Office, or the Office of the Architect of the Capitol, whose pay is fixed in accordance with the General Schedule under section 5332 of title 5, United States Code, shall be paid at an annual rate in excess of \$27,055 by reason of the operation of section 212 of this Act.

"EFFECTIVE DATES

"Sec. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 212, 218, 221, and 224 (a) and (b) shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j) (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

"(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

"(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, and 219) shall be held and considered to become effective as of the date of such enactment; and

"(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

"EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

"Sec. 231. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3110. Employment of relatives; restrictions

"(a) For the purpose of this section—

"(1) "agency" means—

"(A) an Executive agency;

"(B) an office, agency, or other establishment in the legislative branch;

"(C) an office, agency, or other establishment in the judicial branch; and

"(D) the government of the District of Columbia;

"(2) 'public official' means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and

"(3) 'relative' means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, step mother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

"(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

"(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

"(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

"(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible."

"(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

"3110. Employment of relatives; restrictions."

"(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

"TRAVEL STATUS

"SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

"(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

"(1) by adding at the end of thereof the following new section:

"§ 5733. Expeditious travel

"The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel;" and

"(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

"5733. Expeditious travel."

"(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: 'Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.'"

"APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

"SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 5345. Position classification appeals"

"On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

"(2) decide whether the position has been properly classified; and

"(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position."

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials."

"(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

"5345. Position classification appeals."

"MISCELLANEOUS PROVISIONS

"SEC. 224. (a) Section 4101(2)(B) of title 5, United States Code, is amended by striking out 'Coast and Geodetic Survey' and inserting in lieu thereof 'Environmental Science Services Administration'."

"(b) (1) Section 8339(e)(2) of title 5, United States Code, is amended to read as follows:

"(2) the greater of—

"(A) the final basic pay of the Member; or

"(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b)(1) of this title."

"(2) Section 8348(g) of title 5, United States Code, shall not apply to benefits resulting from the amendment made by this subsection."

"(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out '\$65,000' and inserting in lieu thereof '\$80,000', and by striking out the fourth sentence therein and inserting in lieu thereof the following: 'The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.'"

"WABASH VALLEY INTERSTATE COMMISSION

"SEC. 225. (a) The Federal representative to the Wabash Valley Interstate Commission appointed under section 2 of the Act of September 23, 1959 (Public Law 86-375; 73 Stat. 698), is hereby covered into the competitive service under title 5, United States Code. Nothing in this subsection shall be construed to affect the provisions of section 2 of such Act relating to the compensation of such representative."

"(b) The Federal representative to the Wabash Valley Interstate Commission shall be subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and to the provisions of chapter 87 of such title, relating to life insurance."

"SEC. 226. (a) The paragraph under the heading 'Stationery (revolving fund)' in the appropriations for the Senate in title IV of the Foreign Aid and Related Agencies Appropriation Act, 1964 (77 Stat. 864; 2 U.S.C. 46a), is amended by adding at the end thereof the following: 'The allowance for stationery shall hereafter be available only for (1) purchases made through the Senate stationery room of stationery and other office supplies for use of official business, and (2) reimbursement upon presentation, within thirty days after the close of the fiscal year for which the allowance is provided, of re-

ceipted invoices for purchases elsewhere of stationery and other office supplies (excluding items not ordinarily available in the Senate stationery room) for use for official business in an office maintained by a Senator in his home State. Any part of the allowance for stationery which remains unobligated at the end of the fiscal year 1968 or any subsequent fiscal year shall be withdrawn from the revolving fund established by the Third Supplemental Appropriation Act, 1957 (71 Stat. 188; 2 U.S.C. 46a-1), and covered into the general fund of the Treasury."

"(b) The stationery allowance, as authorized by law, for each Member of the House of Representatives and each Resident Commissioner shall hereafter be available only for (1) purchases made through the House stationery room of stationery and other office supplies for use for official business, and (2) reimbursement upon presentation, within thirty days after the close of the session for which the allowance is provided, of receipted invoices for purchases elsewhere of stationery and other office supplies (excluding items not ordinarily available in the House stationery room) for use for official business in an office maintained by a Member in his home State. Any part of the stationery allowance which remains unobligated at the end of the session for which it is available, beginning with the first session of the Ninetieth Congress, shall be withdrawn from the revolving fund established by the Legislative Branch Appropriation Act, 1948 (61 Stat. 366; 2 U.S.C. 46b-1), and covered into the general fund of the Treasury."

"TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

"SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addresses, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addresses from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists

bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated; he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship."

"(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

"SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

"TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

"SEC. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows:

"(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following sched-

ule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

"If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,00	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,100	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000

"SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8707. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

"SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

"SEC. 404. Chapter 87 of title 5, United States Code, is amended—

"(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709-8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than

the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

"(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

"(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

"(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

"(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title."; and

"(2) by inserting in the analysis of such chapter the following new item after item 8714:

"8714a. Optional Insurance."

"SEC. 405. (a) The amendments made by sections 401-403 of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment and shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment. In the case of an em-

ployee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date of the amendments made by sections 401-403 of this Act, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

"(b) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment or on any earlier date which is at least sixty days after the date of enactment that the Civil Service Commission may prescribe and shall have no effect in the case of an employee who died, was finally separated, or retired prior to such effective date.

"SEC. 406. The Employees Life Insurance Fund is available without limitation for expenses incurred by the Civil Service Commission in carrying out section 404 of this Act."

Mr. DULSKI (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the Senate amendment be dispensed with and that it be printed in full in the Record at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MOTION OFFERED BY MR. DULSKI

Mr. DULSKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DULSKI moves that the House recede from its disagreement to the amendment of the Senate to the bill (H.R. 7977) and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Postal Revenue and Federal Salary Act of 1967'."

"TITLE I—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

"(b) Section 4251(a) of title 39, United States Code, is amended by striking out 'and (4)' and inserting in lieu thereof '(4) bills and statements of account, and (5)'."

"(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

"(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

"AIRMAIL

"SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

"(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

" Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.

"(2) by deleting paragraph (2); and
"(3) by striking out in paragraph (5), subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (i) in an overseas area designated by the President under section 4169 of this title or (ii) in an isolated, hardship or combat support area overseas, or where adequate surface transportation is not available; and

"(C) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

" [In cents]						
	" During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

"(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

"(e) The postage on classroom publications, mailed in accordance with section 4359 (a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year

"(c) Section 4303(f) of title 39, United States Code, is amended by striking out 'the Virgin Islands or the Canal Zone' wherever appearing therein and inserting in lieu thereof 'or the Virgin Islands'.

"(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word 'eight' and inserting in lieu thereof the figure '7'.

"SECOND-CLASS MAIL PREFERRED RATES
"SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

"(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

" [In cents]			
	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece..	.2	.2	.2.

"(2) by adding at the end thereof the following:

"(d) (1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

" [In cents]						
	" During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philan-

thropic, agricultural, labor, veterans', fraternal, and associations of rural electric cooperatives, program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title; and

"(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication."

and inserting in lieu thereof—

"4358. Rates of postage; preferred'.

"SECOND-CLASS MAIL REGULAR RATES

"SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

"(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

" [In cents]			
	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece..	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Depart-

ment had such matter been delivered by surface transportation, but the total of such charges and the lawfully required postage shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title; and

"(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"§ 4359. Postage rates beyond county of publication.'

and inserting in lieu thereof—

"§ 4359. Rates of postage; regular'.

"(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out 'bills,'.

"(d) Section 4369 (a) (4) of title 39, United States Code, is amended by striking out: 'Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General'.

"SECOND-CLASS TRANSIENT MAIL

"SEC. 105. Section 4362 of title 39, United

States Code, is amended by striking out 'four cents' and inserting in lieu thereof '5 cents'.

"CONTROLLED CIRCULATION PUBLICATIONS

"SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece..	1.9	2.9	3.8'

"THIRD-CLASS MAIL

"SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing	Rates		Unit
	Mailed during calendar year 1968	Mailed after June 30, 1969	
	Cents	Cents	
(1) Individual piece.....	6.0	6.0	First 2 ounces or fraction thereof.
	2.0	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first 250,000 pieces mailed during a year. For such purpose, the number of pieces mailed during a year shall be the aggregate of the pieces mailed under item (2) (A), (B), and (C) of the above table.

"(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided in the table under subsection (a), rounded off to the nearest one-tenth cent.'

"(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

"SPECIAL RATE FOURTH-CLASS MAIL

"SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

"(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, consisting wholly of reading matter or scholarly bibliography or

reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;";

"(2) by striking out in subsection (b) (1) '4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof' and inserting in lieu thereof '5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof';

"(3) by inserting in subsection (b) (1) (B) 'museums and herbaria,' immediately following 'public libraries;';

"(4) in subsection (b) (2) by striking out 'and' at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof '; and'; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria;";

"(5) by inserting in subsection (c) 'or narrower width' immediately following '16-millimeter', and 'museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria,' immediately following 'sound recordings;'; and

"(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Post-

master General, only in the manner directed by him.'

"(b) Subparagraph (6) of section 4554 (a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6)'.

"(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates'.

"(d) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"§ 4554. Postage rates on books and films.'

and inserting in lieu thereof—

"§ 4554. Books, films, and other materials; preferred rates'.

"KEYS AND OTHER SMALL ARTICLES

"SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out '6 cents for each two ounces or fraction thereof' and inserting in lieu thereof '14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,'.

"SPECIAL HANDLING SERVICE

"SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling.

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail.'

"SEPARATION BY MAILER OF SECOND-CLASS MAIL

"SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail.

"The Postmaster General may require publishers and news agents to separate, make up, and address second-class matter in such manner as he directs in accordance with a 5-digit ZIP code system.'

"PRINTING ON SECOND-CLASS COVERS

"SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.'

"ADDITIONAL ENTRY POINTS

"SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry.'

"MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

"SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a

physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a)(1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

"(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

"(c) Section 4451(d) of title 39, United States Code, is repealed.

"PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

"Sec. 115. Section 4555(a) of title 39, United States Code, is amended—

"(1) by striking out 'and' at the end of clause (9);

"(2) by striking out the period at the end of clause (10) and inserting in lieu thereof "; and"; and

"(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

"REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

"Sec. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d)(5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

"(b) The table of contents of chapter 57 of title 39, United States Code is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

"PARCEL AIRLIFT

"Sec. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

"Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers."

"(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

"4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices."

"SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

"Sec. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for

the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

"(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

"EFFECTIVE DATE

"Sec. 119. This title shall become effective on January 7, 1968.

"CONFORMING AMENDMENTS

"Sec. 120. (a) (1) Subparagraph (A) of section 2303(a)(1) of title 39, United States Code, is repealed.

"(2) Subparagraph (D) of such section is amended to read as follows:

"(D) free postage on reading matter and other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title;"

"(3) Subparagraph (I) is amended by striking out 'educational'.

"(b) Section 4552(c) of such title is amended—

"(1) by inserting 'and' after the semicolon at the end of paragraph (4);

"(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

"(3) by striking out paragraph (6).

"EDUCATIONAL TELEVISION

"Sec. 121. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word 'or', and by adding after item (10) the following new item:

"(11) program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

"UNDELIVERED FIRST-CLASS MAIL

"Sec. 122. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows:

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for the nondelivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

"TITLE II—FEDERAL SALARY INCREASES

"SHORT TITLE

"Sec. 201. This title may be cited as the Federal Salary Act of 1967."

"EMPLOYEES SUBJECT TO THE GENERAL SCHEDULES

"Sec. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

"(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

"(5) If the officer or employee, at any time during the period beginning on the effective

date of this section and ending on the date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332(a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion.

"(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

"LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

"SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out 'salary levels 19 and 20' and inserting in lieu thereof 'salary levels 20 and 21'.

"CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

"SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading 'POSITIONS' is amended by striking out section 3512 and inserting in lieu thereof the following new sections:

"§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) Basic function.—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and house-

keeping tasks to maintain offices, washrooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"§ 3512A. Positions in salary level 2

"Custodian. (KP-1)

"(1) Basic function.—Performs manual laboring duties in connection with custody of an office or building.

"(2) Duties and responsibilities.—

"(A) Performs any combination of the following duties:

"1. Moves furniture and equipment.

"2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

"3. Loads and unloads supplies and equipment.

"4. Removes trash from work areas, lobbies, and washrooms.

"5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

"6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

"(B) May perform cleaning duties as assigned.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor.

"(b) Each salary level number in the headings of section 3513 to 3531, inclusive, of title 39, United States Code, and each other numerical reference to such salary level number in any other provision of such title (including the table of contents of chapter 45) which is not otherwise increased by this title, is increased by 1.

"(c) Each employee in the postal field service on the date of enactment of this title, whose position is placed in salary level 2 of the Postal Field Service Schedule by reason of the enactment of this section and section 205(e) (1) of this title, shall remain in salary level 2 of such schedule so long as he remains in such position or occupies, without break in service of more than thirty days, a position of a comparable level of duties, responsibilities, and work requirements in such salary level. When the employee leaves any such position, the position shall be appropriately ranked in accordance with chapter 45 of title 39, United States Code.

"(d) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3512A. Positions in salary level 2.

immediately below—

"3512. Positions in salary level 1.

"POSTAL FIELD SERVICE EMPLOYEES

"SEC. 205. (a) Section 3542(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedules.

" 'POSTAL FIELD SERVICE SCHEDULE I

" [To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after Oct. 1, 1967, and ending immediately before the effective date of Postal Field Service Schedule II set forth below]

" 'PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	
9	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756		
10	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558		
11	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546		
12	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781		
13	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127		
14	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668		
15	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295		
16	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082		
17	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130		
18	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401		
19	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510		
20	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840				
21	24,126	24,932	25,738	26,544	26,960							

" 'POSTAL FIELD SERVICE SCHEDULE II

" [To be effective on the first day of the first pay period beginning on or after July 1, 1968]

" 'PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	
9	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249		
10	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091		
11	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124		
12	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423		
13	11,356	11,743	12,130	12,517	12,904	13,291	13,677	14,065	14,452	14,839		
14	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455		
15	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161		
16	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036		
17	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187		
18	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572		
19	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105			
20	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182				
21	25,333	26,179	27,025	27,871	28,717							

"(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compen-

sation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation shall

be paid to rural carriers in accordance with such schedules.

" 'RURAL CARRIER SCHEDULE I

" [To be effective for the period beginning on the first day of the first pay period beginning on or after October 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

" 'Per annum rates and steps												
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30	25	25	25	25	25	25	25	25	25	25	25	25

" 'RURAL CARRIER SCHEDULE II

" [To be effective on the first day of the first pay period beginning on or after July 1, 1968]

" 'Per annum rates and steps												
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30	25	25	25	25	25	25	25	15	25	25	25	25

"(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

"(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

"(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

"(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

"(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such

changes shall be deemed to have occurred prior to conversion.

"(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

"(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

"(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

"(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

"(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

"'3544. Fourth Class Office Schedule.'

and inserting in lieu thereof—

"'3544. Compensation of postmasters at fourth-class offices.'

"CONFORMING AMENDMENTS

"Sec. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out '(3) revenue unit category, with respect to the Fourth Class Office Schedule.' and inserting in lieu thereof '(3) minimum hours of service with respect to postmasters in fourth-class post offices.'

"(b) Section 3560(f) of title 39, United States Code, is amended by striking out '(1) reductions in class or revenue unit category of any post office, or' and inserting in lieu thereof '(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or'.

"(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out 'level PFS-10' and 'level PFS-11', wherever appearing therein, and inserting in lieu thereof 'level PFS-11' and 'level PFS-12', respectively. Subsection (g) of section 3573 is amended by striking out 'PFS-17' and inserting 'PFS-18'.

"(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out 'level PFS-15' and inserting in lieu thereof 'level PFS-16'.

"(e) Any reference to a level of the

Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

"SPECIAL SALARY RATE RANGES

"Sec. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out 'seventh pay rate' and inserting in lieu thereof 'maximum pay rate'.

"(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate.

"EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION

"Sec. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physicians and Dentist Schedule

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section.

"Class 1.....	\$24,944	\$25,776
Class 2.....	20,280	20,956
Class 3.....	16,616	17,170
Class 4.....	13,507	13,957
Class 5.....	11,120	11,491
Class 6.....	9,267	9,576
Class 7.....	7,816	8,076
Class 8.....	6,734	6,959

"(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The

"Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278
Class 2.....	13,507	13,957	14,407	14,857
Class 3.....	11,120	11,491	11,862	12,233
Class 4.....	9,267	9,576	9,885	10,194
Class 5.....	8,351	8,629	8,907	9,185
Class 6.....	7,524	7,775	8,026	8,277
Class 7.....	6,905	7,135	7,365	7,595
Class 8.....	6,125	6,329	6,533	6,737
Class 9.....	5,575	5,761	5,947	6,133
Class 10.....	4,995	5,161	5,327	5,493

"(c) Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

"AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES

"SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"SALARY RATES FIXED BY ADMINISTRATIVE ACTION

"SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

"(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

"(d) Nothing contained in this section

tion if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5.

"FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

"SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

\$27,055				
21,632	\$22,308	\$22,984	\$23,660	\$24,336
17,724	18,278	18,832	19,386	19,940
14,407	14,857	15,307	15,757	16,207
11,862	12,233	12,604	12,975	13,346
9,885	10,194	10,503	10,812	11,121
8,336	8,596	8,856	9,116	9,376
7,184	7,409	7,634	7,859	8,084

per annum salaries of such staff officers and employees within each class shall be as follows:

\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
15,307	15,757	16,207	16,657	17,107	17,557
12,604	12,975	13,346	13,717	14,088	14,459
10,503	10,812	11,121	11,430	11,739	12,048
9,463	9,741	10,019	10,297	10,575	10,853
8,528	8,779	9,030	9,281	9,532	9,783
7,825	8,055	8,285	8,515	8,745	8,975
6,941	7,145	7,349	7,553	7,757	7,961
6,319	6,505	6,691	6,877	7,063	7,249
5,659	5,825	5,991	6,157	6,323	6,489

shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

"IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

"SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, shall—

"(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—

"(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

"(B) by 3 per centum,

whichever is greater; and

"(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code.

Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such

exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

"(i) the President pro tempore of the Senate, with respect to the United States Senate;

"(ii) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

"(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

"(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

"(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

"JUDICIAL BRANCH EMPLOYEES

"SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay

for positions at level V of the Executive Schedule under section 5316 of title 5.

"(e) Section 792(b) of title 28, United States Code, is amended by striking out '\$26,000' and inserting in lieu thereof '\$29,000'.

"LEGISLATIVE BRANCH EMPLOYEES

"SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

"(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

"(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

"(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

"(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

"(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

"(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

"(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate, or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term 'officer' does not include a Senator.

"(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment

of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

"(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out '\$180' and inserting in lieu thereof '\$188'.

"(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;

"\$212,440 if such population is 3,000,000 but less than 4,000,000;

"\$223,720 if such population is 4,000,000 but less than 5,000,000;

"\$234,060 if such population is 5,000,000 but less than 7,000,000;

"\$245,340 if such population is 7,000,000 but less than 9,000,000;

"\$258,500 if such population is 9,000,000 but less than 10,000,000;

"\$271,660 if such population is 10,000,000 but less than 11,000,000;

"\$284,820 if such population is 11,000,000 but less than 12,000,000;

"\$297,980 if such population is 12,000,000 but less than 13,000,000;

"\$311,140 if such population is 13,000,000 but less than 15,000,000;

"\$324,300 if such population is 15,000,000 but less than 17,000,000;

"\$338,400 if such population is 17,000,000 or more."

"(l) Section 105 of such Act is amended by striking out '\$1,080', '\$6,120', '\$10,620', '\$10,800', '\$14,220', '\$14,400', '\$15,660', '\$15,840', '\$18,180', '\$22,320', '\$23,400', and '\$24,480' wherever they appear in such section and inserting in lieu thereof '\$1,128', '\$6,392', '\$11,092', '\$11,280', '\$14,852', '\$15,040', '\$16,356', '\$16,544', '\$18,988', '\$23,312', '\$24,440', and '\$25,568', respectively.

"(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply

to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading 'SENATE' in the Second Deficiency Appropriation Act, 1948.

"(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out '\$540' and inserting in lieu thereof '\$564'.

"(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c)(1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if—

"(A) the pay of one or more of the positions is fixed at a single gross per annum rate, and the aggregate gross pay from the positions exceeds \$6,256 a year, or

"(B) the pay of each such position is fixed at a basic rate plus additional compensation authorized by law, and the aggregate basic pay of the positions exceeds \$2,000 a year.

"(2) For the purpose of this subsection, 'gross pay' means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter."

"(p) The third paragraph under the heading 'Office of the Architect of the Capitol' and the subheading 'Salaries' in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out '\$7,700' and inserting in lieu thereof '\$8,200'.

"INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

"SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out '\$28,500' and inserting in lieu thereof '\$29,500'.

"(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out '\$27,000' and inserting in lieu thereof '\$28,750'.

"(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out '\$26,000' and inserting in lieu thereof '\$28,000'.

"SALARY INCREASE LIMITATIONS

"SEC. 216. Except as provided in sections 213 (d) and (e), 214, 215, and 219, and subject to the operation of section 225 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate for level V of the Executive Schedule in section 5316 of title 5, United States Code, in effect on or after the first day of the first pay period which begins on or after the date of enactment of this title.

"UNCONTROLLABLE OVERTIME DUTY

"SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out 'not in excess of 15 percent,' and inserting in lieu thereof 'not less than 10 percent nor more than 25 percent.'

"PAYMENT OF RETROACTIVE COMPENSATION

"SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this

title, except that such retroactive pay, compensation, or salary shall be paid—

"(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

"(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SALARIES OF LEGISLATIVE OFFICIALS

"SEC. 219. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

"(1) in subsection (b), by striking out '\$23,500' and inserting in lieu thereof '\$29,500';

"(2) in subsection (c), by striking out '\$27,000' and inserting in lieu thereof '\$28,750';

"(3) in subsection (d), by striking out '\$25,500' and inserting in lieu thereof '\$27,500'; and

"(4) in subsection (e), by striking out '\$23,500' and inserting in lieu thereof '\$25,000'.

"EFFECTIVE DATES

"SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 212, 218, 221, 224 (a) and (b) and 225 shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

"(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

"(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment; and

"(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroac-

tively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

"EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

"SEC. 221. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 3110. Employment of relatives; restrictions

"(a) For the purpose of this section—

"(1) "agency" means—

"(A) an Executive agency;

"(B) an office, agency, or other establishment in the legislative branch;

"(C) an office, agency, or other establishment in the judicial branch; and

"(D) the government of the District of Columbia;

"(2) "public official" means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and

"(3) "relative" means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

"(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

"(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed employed, promoted, or advanced.

"(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

"(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible."

"(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

"§ 3110. Employment of relatives; restrictions."

"(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

"TRAVEL STATUS

"SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

"(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

"(1) by adding at the end thereof the following new section:

"§ 5733. Expeditious travel

"The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel; and

"(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

"5733. Expeditious travel."

"(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: "Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

"SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 5345. Position classification appeals

"On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

"(2) decide whether the position has been properly classified; and

"(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position. The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials."

"(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

"5345. Position classification appeals."

"MISCELLANEOUS PROVISIONS"

"Sec. 224. (a) Section 4101(2)(B) of title 5, United States Code, is amended by striking out 'Coast and Geodetic Survey' and inserting in lieu thereof 'Environmental Science Services Administration'.

"(b) Section 8339(e)(2) of title 5, United States Code, is amended to read as follows:

"(2) the greater of—

"(A) the final basic pay of the Member; or

"(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b)(1) of this title."

"(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out '\$65,000' and inserting in lieu thereof '\$80,000', and by striking out the fourth sentence therein and inserting in lieu thereof the following: 'The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.'

"COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES"

"SEC. 225. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission on Executive, Legislative, and Judicial Salaries (hereinafter referred to as the 'Commission').

"(b) MEMBERSHIP.—

"(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

"(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

"(B) two appointed by the President of the Senate;

"(C) two appointed by the Speaker of the House of Representatives; and

"(D) two appointed by the Chief Justice of the United States.

"(2) The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(3) After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(4) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

"(5) Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

"(c) PERSONNEL OF COMMISSION.—

"(1) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods cover-

ing all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section—

"(A) the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and

"(B) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.

"(2) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

"(d) USE OF UNITED STATES MAILS BY COMMISSION.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

"(e) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

"(f) FUNCTION.—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay of—

"(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

"(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

"(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

"(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

"(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

"(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

"(g) REPORT BY COMMISSION TO THE PRESIDENT.—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

"(h) RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs

(A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term 'budget' means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

"(i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.—

"(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that, between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

"(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

"(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

"(C) both.

"(2) Any part of the recommendations of the President may, in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect.

"(j) EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.—The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

"(B) any prior recommendations of the President which take effect under this section.

"(k) PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.—The recommendations of the President which take effect shall be printed in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

"TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS"

"SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship."

"(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

"Sec. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

"TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

"Sec. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows.

"(a) An employee eligible for insurance is entitled to be insured for an amount of group

life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

"If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000"

"SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8707. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

"SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

"SEC. 404. Chapter 87 of title 5, United States Code, is amended—

"(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay."

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay,

or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

"(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

"(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

"(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

"(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title;" and

"(2) by inserting in the analysis of such chapter the following new item after item 8714:

"8714a. Optional insurance."

"SEC. 405. (a) The amendments made by sections 401 to 403, inclusive, of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

"(b) (1) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment, or on any earlier date that the Civil Service Commission may prescribe, which is at least sixty days after the date of enactment. In the case of an employee who dies during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments

made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

"(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement, the period during which such optional insurance was available to such employee shall not be considered to have commenced prior to the expiration of sixty days following such effective date.

"(c) The amendments made by sections 401 to 404, inclusive, of this Act shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment.

"Sec. 406. The Employees Life Insurance Fund is available without limitation for expenses incurred by the Civil Service Commission in carrying out section 404 of this Act."

And the Senate agree to the same.

Mr. DULSKI (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. FULTON of Pennsylvania. Mr. Speaker, I object.

The SPEAKER. The gentleman from Pennsylvania objects. The Clerk will proceed to read.

The Clerk proceeded to read the amendment.

Mr. DULSKI (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, at this point may I make a parliamentary inquiry?

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, would the Senate amendment be subject to amendment if this motion is adopted, or prior to the adoption of this amendment?

The SPEAKER. The motion is to recede from disagreement to the Senate amendment and concur therein with an amendment.

Mr. GROSS. With an amendment?

The SPEAKER. Yes.

Mr. GROSS. Would that be subject to an amendment, Mr. Speaker?

The SPEAKER. It would be, if the previous question on the motion is voted down.

Mr. GROSS. I thank the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The gentleman from New York is recognized for 1 hour.

Mr. DULSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, after 4 days of difficult and thorough negotiations, the committee of conference has settled differences between the House and the Senate on H.R. 7977, the postal rate and Federal salary bill. The conference report in my judgment represents a truly fair, reasonable, and very practical agreement which is in the interest of the Government, postal, and other Federal employees, and the American public. The amendment will effect the same purpose.

This legislation has occupied the attention of our Committee on Post Office and Civil Service since last April. Public hearings were held on a continuous basis for nearly 2 months, and 25 subcommittee and committee executive sessions were required to develop the bill passed by the House on October 11.

The Senate passed the bill on November 29, accepting nearly all of the basic policies laid down in the House-passed bill, but made three major changes and several relatively minor ones.

Both the House and the Senate conferees took very strong positions on the principal differences, and this made the task of reaching a suitable compromise agreement unusually difficult. But all of the conferees, for both Houses, were certainly aware that the postal rate and Federal salary adjustments embodied in the bill are long overdue and that it was essential that we reach an agreement.

It is important to note that the Senate version of the bill made no change in the House provisions for first-class and airmail postage rates, the three-phase salary increase for postal and other Federal employees, and the provision to regulate mailing of pandering matter. The three major changes made in the bill passed by the other body were a higher final rate on third-class bulk mail, elimination of the Quadrennial Commission to recommend executive, judicial, and legislative salaries, and inclusion of a new title IV to improve the Federal employees' life insurance program.

With respect to postal rates, the amendment conference substitute will add \$900 million a year to postal revenues—a 50-percent greater increase than ever before enacted.

The pay raises for postal and other Federal employees represent the first real progress toward full "comparability" with private enterprise salaries since the policy of comparability was laid down in the 1962 Pay Act. These salary provisions are acclaimed by postal and Federal employee organizations as the finest salary bill ever enacted.

The Senate life insurance provision is identical to the plan already developed by our Subcommittee on Retirement, Insurance, and Health Benefits, and the conferees for the House accepted the Senate provision. This left the two other key differences in which compromise became necessary.

The House-passed bill adopted the Postmaster General's official recommendation to increase the regular third-class bulk mail minimum charge per piece from 2 $\frac{7}{8}$ cents to 3 $\frac{3}{10}$ cents, effective January 7, 1968. The Senate-passed

bill provided for 3 $\frac{1}{10}$ cents effective January 7, 1968, and 4 cents effective after December 31, 1968, the conference substitute and amendment provide for 3 $\frac{1}{10}$ cents until June 30, 1969, after which the 4-cent rate will apply except that 3 $\frac{3}{10}$ cents will apply to the first 250,000 pieces sent by a mailer in a year.

The Senate accepted the House-passed provision establishing the Quadrennial Commission, with an amendment removing from the Commission's jurisdiction any consideration of allowances and related benefits. In other words, the Commission provision will apply only to rates of pay.

Mr. Speaker, to sit as chairman of the committee of conference on this important legislation has been a most enlightening experience for me. I want to extend my most sincere thanks and express my great respect and admiration for the eight members of our Post Office and Civil Service Committee who joined me as conferees. In my judgment, these eight members are unsurpassed anywhere in knowledge of the subject matter, resourcefulness, and dedication to the obligations of conferees representing this House. They were most conscientious in attendance at all conference meetings. They worked hard toward solutions both within and outside the conference, and each contributed substantially to the final agreement through unselfish and untiring effort.

Mr. Speaker, I believe these eight men have earned our thanks. They are the gentleman from North Carolina [Mr. HENDERSON], our vice chairman and ranking majority member; the gentleman from Montana [Mr. OLSEN], chairman of our Postal Rates Subcommittee; the gentleman from Arizona [Mr. UNALL], chairman of our Compensation Subcommittee; the gentleman from New Jersey [Mr. DANIELS], chairman of our Retirement and Insurance Subcommittee; the gentleman from Pennsylvania [Mr. CORBETT], our ranking minority member; the gentleman from Iowa [Mr. GROSS], our next senior minority member; the gentleman from Nebraska [Mr. CUNNINGHAM], ranking minority member of our Postal Operations Subcommittee and author of the antipandering title of the bill; and the gentleman from Pennsylvania [Mr. JOHNSON], the ranking minority member of our Postal Rates Subcommittee and a member of our Compensation Subcommittee.

In view of the long and expert attention the subcommittee chairmen and minority members have devoted to this legislation, I will yield to these chairmen for detailed discussion of their parts of the bill, and to our minority members, as time permits.

Mr. Speaker, I urge that the House approve the conference substitute. It is an excellent bill—one that has been most carefully worked out in the face of many difficulties, and one that is in the best interests of the Government, the postal service, Federal employees, and the American people.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Pennsylvania [Mr. CORBETT], the minority leader of the committee.

Mr. CORBETT. Mr. Speaker, there are really four important titles to this bill, one of them dealing with postal rates, one dealing with employee salaries, one dealing with obscenity in the mail, and one dealing with the Federal employees' life insurance program. As regards the last three titles, the Senate and the House are in complete agreement. I do not think it would serve any useful purpose to get into a detailed and technical discussion of the rate features.

We worked on this bill in the House for at least 10 months. We worked on rates in other years. I myself do not believe that it would be at all harmful for us to go back to conference and try to come up with a better agreement, a better compromise on the postal rate situation. No one would be hurt even if we went over until the next calendar year, because the pay features are retroactive to October 1. There would be some loss of revenue to the Post Office Department. That is for sure. But I for one am not satisfied that we should not make a further effort to try to work out a more equitable and a less destructive situation regarding postal rates. Therefore, I am going to vote against the previous question in the hope that we might try here on the floor to amend the conferees' report. I am going to vote against this motion in the hope that we can go back to conference and try one further time.

I recognize that one of the conferees from the other body, a very influential and knowledgeable individual, arrived at our conference in a spirit of no compromise. In fact, he said, "I will sit here till hell freezes over before I will yield on this particular point." Now, the House conferees, as the gentleman from New York has said, went over there and made a sincere effort to arrive at compromises and agreements. They were blocked in their efforts until this makeshift arrangement was agreed to which resulted in the point of order.

Now, then, repeating, I am going to vote "No" on the previous question in the hope that we might amend the conference report in some important details.

If that possibility fails, I shall vote against the motion simply because I, repeating, do not believe it would hurt us to go back to conference and have another go at it with the two bodies being in agreement on salaries, on obscenity, and on insurance—to meet again to discuss the rate feature and try to arrive at a more equitable situation.

Mr. Speaker, in my opinion it would be good to do this, because this conference report provides for rates which very well could destroy an industry, or seriously impair it. We have in the Postal Policy Act of 1958 a stipulation that we should not alter rates in such a way that the impact upon any industry would be detrimental.

Mr. Speaker, if that policy means anything, the sudden increase of rates by up to close to 100 percent, is too severe an impact.

Therefore, I hope that we can somehow get back to conference and have another try at attempting to hold back this impact, particularly since this conference report does not put the 4-cent rate on third-class bulk mail into effect until

July 1969. Therefore, it would very easily be possible for someone to introduce a bill raising the rates to 4 cents during the next session of the Congress.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Montana, a member of the Committee on Post Office and Civil Service [Mr. OLSEN].

(Mr. OLSEN asked and was given permission to revise and extend his remarks.)

Mr. POOL. Mr. Speaker, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Texas.

(Mr. POOL asked and was given permission to revise and extend his remarks.)

Mr. POOL. Mr. Speaker, I voted against the postage rate-pay raise bill in committee and in the House.

However, since my vote there have been increases in industry pay throughout the Nation which I cannot, in good conscience, ignore. I have always said that Government employees should have comparable pay to that of industry.

In addition, the compromise bill worked out by the conference committee with respect to the crippled children and other nonprofit organizations is better than the original House bill.

Notwithstanding my approval of the above measures, I still do not advocate a commission passing on congressional and executive salaries.

Also, I am still strongly against an increase in first-class mail as it is paying its own way.

While I have done all I could to improve this bill, I must in all fairness cast my vote in favor of this bill.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from West Virginia.

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to ask the distinguished gentleman from Montana one or two questions about the results of the conference.

In the statement of the managers on the part of the House, as I understand it, the cost coverage on first-class mail, after all pay and rate increases, would be 110 percent; is that correct?

Mr. OLSEN. That is correct.

Mr. HECHLER of West Virginia. Mr. Speaker, if the gentleman will yield further, it is my further understanding that as indicated on page 40 of the statement of the managers on the part of the House, the cost coverage on bulk rate third-class mail, after all pay and rate increases contained in this bill, would run between 72 and 75 percent; is that correct?

Mr. OLSEN. That is correct.

Mr. HECHLER of West Virginia. Mr. Speaker, if the gentleman will yield further, I would like to ask the gentleman from Montana whether it is his understanding that this figure of 72 to 75 percent does not include ZIP code savings which would increase cost coverage slightly, to equal less than 80 percent?

Mr. OLSEN. I do not know that.

Mr. HECHLER of West Virginia. If the gentleman will yield further, in any event the cost coverage for regular third-class mail would be considerably less than 100 percent?

Mr. OLSEN. Well, now, this is the statement that is contained in the conference report. When they used the words "cost coverage," of course they are using those words in conformity with what has been stated by the Post Office Department when the Department used the words "cost ascertainment system."

Mr. HECHLER of West Virginia. This is correct.

Mr. OLSEN. We have had a lot of dispute about this as to whether it is a cost ascertainment system or whether it is really something else. However, the verbiage which I have adopted in my discussion of this matter is "cost allotment system."

I believe that we should resolve that. And I want to tell the gentleman that we are going to resolve it, and we are going to commence in the first part of February. We are going to have discussions from industry and from the Post Office Department on this question. I might say in that regard that the Post Office Department is not content with the cost ascertainment either.

Mr. HECHLER of West Virginia. In the light of the fact that the statement of the managers on the conference report indicates that the cost coverage for first-class mail is 110 percent, and the cost coverage of bulk regular third class would be between 72 and 75 percent, I still feel, Mr. Speaker, that it is very unfair that third-class bulk regular mail is still subsidized by the taxpayers. In effect, there is also a subsidy by the first-class mailers who must pay more than 100 percent for their first-class mail at 6 cents when these new rates go into effect. The current budgetary situation and the tax revenues which are needed underline the importance of requiring third-class mail to pay its way.

I thank the gentleman from Montana for yielding.

Mr. OLSEN. I thank the gentleman for his comments.

Mr. Speaker, I must say that I rise in support of the Dulski amendment, and urge the adoption of the amendment of our chairman, Mr. DULSKI. Furthermore, I would like to praise Mr. DULSKI very highly for his splendid job in leading our committee, and then thereafter, being chairman of the conference committee, where he did a most excellent job from the standpoint of fairness and judicial presiding. I also want to thank all of the members of the conference committee, especially my dear friend, Mr. UDALL from Arizona, for a very competent job on the pay bill, the gentleman from New Jersey [Mr. DANIELS], chairman of our Retirement and Insurance Subcommittee, and the gentleman from Pennsylvania [Mr. NIX], chairman of our Postal Operations Subcommittee, who handled title III of the bill on pandering advertisement. I must say that in this conference we had excellent cooperation with all of our Members from the other side of the aisle, Mr. GROSS, Mr. CORBETT, Mr. CUNNINGHAM, and the gentleman from Pennsylvania [Mr. JOHNSON]. All

of the men on our committee worked diligently, and they all had to give in some, and they did, on both sides. And while none of us got exactly what we wanted, it was an excellent conference.

As I say, really a large part of the credit goes to THADDEUS DULSKI through being a very fair and sympathetic chairman, and who gave everybody a chance to be heard.

Mr. Speaker, I rise to support our chairman, and urge the adoption of the Dulski amendment.

After meeting in conference on 4 days for five sessions, I think all of our House conferees will agree that we came back to the House with the best possible compromise that we could get. Our agreement is embodied in the Dulski amendment. I am convinced that this is one of the most far reaching postal rate and pay bills that has ever been brought before this body for consideration. It does not contain all of the provisions I would like to have, nor are all of the postal rates in amounts which I advocated and strongly supported all during our deliberations, but I am convinced it was the best we could get. There are several areas that need further consideration.

As chairman of the Subcommittee on Postal Rates, I already have initiated hearings on the standardization of mail, which was a major controversy before our committee. I have promised to conduct hearings next year on the question of advertising supplements mailed with second-class publications. So there are several areas which we are committed to study thoroughly next year.

Mr. Speaker, based upon estimates of volumes for fiscal year 1968, the House bill would have produced approximately an additional \$890 million in postal revenue. The Senate amendment would have produced approximately \$916 million. The amendment will produce over \$900 million in additional postal revenue as shown by the following table:

REVENUE DIFFERENCES, H.R. 7977

[In millions]

	House	Amendment	Difference
Total.....	\$889.6	\$900.0	\$10.4
2d class:			
Nonprofit.....	6.2	4.2	-2.0
Regular.....	25.0	26.1	+1.0
Surcharge.....	5.5	0	-5.5
Subtotal.....			-6.5
3d class: ¹			
Nonprofit.....	10.1	12.1	+2.0
Effect of 250,000 exemption.....		14.6	+14.6
4th class:			
Regular.....	9.7	11.5	+1.8
Library.....	2.6	1.1	-1.5
Subtotal.....			+3
Total.....			\$10.4

¹ Effect of 250,000-piece exemption from 4-cent rate for bulk 3d-class minimum piece rate on July 1, 1969, has not been determined. Use of 4-cent rate under Senate bill would have increased revenue by \$182,800,000 as compared with \$154,000,000 under House bill. Use of 4-cent rate for mailings in excess of 250,000 is estimated to increase revenues by at least \$14,600,000 for the purpose of this statement.

The effective date of the House bill had to be moved up, and is January 7, 1968, for the postal rate increases.

The postage rates for first-class mail and airmail remain the same as in the House-passed bill.

Our chairman, the gentleman from New York [Mr. DULSKI], has been very active in attempting to improve the mail service for our servicemen overseas, and we were successful in conference in restoring the two major portions of the military mail.

Under the amendment, the news publications which now can be airlifted to combat areas also will be airlifted to isolated, hardship, or combat-support areas overseas, or where adequate surface transportation is not available.

The parcel airlift on a space-available basis within the United States is retained. This is one of the most important provisions and will remove the requirement for paying high air parcel post rates in order to obtain fast service for the parcels going to our servicemen outside the United States.

The free mailing privilege for letters and sound-recorded communications was eliminated because of the \$7 million cost.

Under the House bill, the minimum charge per piece for nonprofit publications was increased from one-eighth of a cent to 0.2 cent or one-fifth of a cent per piece.

Our conference substitute arrived at the 0.2-cent rate in three stages—0.13, 0.15, and 0.2—rather than having the higher rate go into effect in January 1968.

The amendment also adds a new provision to permit nonprofit publications with 10 percent or less advertising material to be mailed at the nonadvertising rates.

While we were successful in connection with the original consideration of this bill in preventing any new preferred categories from being added to the preferred rates, the amendment does add publications by educational television and radio stations to the list of preferred rate categories.

The rates for regular rate publications were increased 0.1 cent over the House rates in zones 1 through 4, but all of the other present pound rates and minimum charges per piece approved by the House were retained. This one-tenth of a cent increase adds \$1 million additional postal revenue to this category.

The authority for the air transportation of second-class publications upon request of the publisher is retained in the amendment, and a requirement is added, to the effect that the additional charge together with the regular postage, shall be not less than 4 cents per piece.

As I indicated earlier, we were not able to maintain the House position in connection with the requirement that advertising supplements mailed with second-class publications pay the regular first-, third-, or fourth-class rate, as appropriate. However, we were successful in maintaining the House position that bills be mailed at first-class postage. A clarification was included so that the invoices, which may serve as a bill, can continue to be mailed with a parcel under either the third- or fourth-class rates.

Mr. Speaker, another one of the very controversial items in conference involved controlled circulation. The House had provided minimum rates comparable with the rates for third-class bulk mailings, and we had provided substantial increases in the pound rates, going up to 15 cents a pound in 1970.

The Senate continued the minimum charge per piece, but increased the rate per pound to 16 cents.

We felt that we had obtained full cost coverage on this class of mail with the House rates, and I, for one, was firmly convinced that the Senate rates were entirely too high. I am glad to report to you here today that the House conferees were successful in convincing the Senate conferees that the 14-cent rate during 1968, the 14.5-cent rate during 1969, and the 15-cent rate starting on January 1, 1970, are the appropriate rates for controlled circulation publications. The House was successful in prevailing on this point.

Mr. Speaker, the third-class rates have given us the most trouble all during our deliberations on this postal rate bill. The House increased second-class regular publication rates by approximately 25 percent, for a net revenue gain of \$30.5 million when the surcharge was included, and at the same time, we provided a 31-percent increase in bulk rate regular third-class mailings, for a revenue gain of \$154 million.

Frankly, I thought these rates were a little steep, but the Senate increased the minimum rate per piece in the second stage to 4 cents, to be effective January 1969. I opposed the 4-cent rate because I felt it was too high. The amendment on this matter constitutes a compromise and provides a 3.6-cent minimum charge per piece during 1968, and in the first 6 months of 1969, then the minimum charge per piece will go to 4 cents in July 1969, with the additional provision that the minimum charge per piece shall be 3.8 cents on the first 250,000 pieces mailed during a year by an advertiser. Thus, the Senate retained their 4-cent rate on a portion of the matter, and we were able to maintain our position for the 3.8 cents on the small mailers.

The amendment does not contain the special provision for solicitation of funds by nonprofit organizations, but provides that the minimum charge per piece for nonprofit organizations will be 40 percent of the regular rates of 3.6 cents and 4 cents. These changes result in \$2 million additional revenue over the amounts provided under the House bill.

The special book rate recommended by the Postmaster General, and adopted in the House bill, of 16 cents for the first 2 pounds and 6 cents for each additional pound, is changed in the amendment to 12 cents for the first pound and 6 cents for each additional pound. However, since so much of the volume under this rate is in the 2-pound category, the combination of 12 cents for the first pound and 6 cents for each additional pound, or 18 cents for 2 pounds, as compared with the 16-cent rate for 2 pounds under the House bill, the amendment rates do provide for \$1.8 million more additional revenue than would have been obtained under the House bill.

The library rate under the House bill of 8 cents for the first 2 pounds and 3 cents for each additional pound, is changed in the amendment to 5 cents for the first pound and 2 cents for each additional pound.

For the purpose of creating legislative history, I would like to point out that in including "and smaller width films" in the materials which can be mailed under the special fourth class and library materials rates, it was the intention of the committee that these films may be contained either on reels or cartridges.

My reason for making this clarification is that, as I understand it, the majority of 8mm films used by schools and libraries are permanently mounted in cartridges, and I want to state for the record that such cartridges will be acceptable for shipment under these fourth-class rates.

Mr. Speaker, these are the major differences between the amendment and the House-passed bill. We also were successful in insisting upon several other minor matters, such as the authority for the Postmaster General to determine the manner of preparing second-class mail in accordance with the five-digit ZIP code system, the elimination of the special per copy rates at additional entry points, and the authority for the Postmaster General to advise the mailer of first-class mail of a new address when the mail is nondeliverable as addressed. The mailer in such a case would pay the cost of such additional service.

Mr. Speaker, as I have indicated, I have done everything I felt reasonably possible to obtain fair and equitable rates for all categories of mail. We have been successful in most cases, but not in all. I think we have treated first-class mail too harshly, but I believe this bill represents the best possible solution that we can obtain at the present time.

I know that my colleague, the gentleman from Arizona, will explain the pay increases, but I want to add my support to the pay increases for our employees. I particularly want to commend our chairman, the gentleman from New York [Mr. DULSKI], for the fine manner in which he acted as chairman of the conference committee, and the gentleman from Arizona [Mr. UDALL] for the way he was able to succeed in convincing our conferees to adopt his versions of the pay bill, particularly those provisions relating to the Salary Commission.

I also want to compliment the gentleman from New Jersey [Mr. DANIELS], who as chairman of our Subcommittee on Retirement and Insurance has worked so hard and diligently in working out the insurance provisions of this amendment.

Mr. Speaker, I urge the House to approve this amendment. I believe it is the best we can obtain this year.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. OLSEN. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, I am interested in the local newspapers. They are largely weekly or biweekly, or even monthly newspapers.

In the conference report on page 7—and I can read this very shortly—under 107(a):

After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first 250,000 pieces mailed during a year.

That brings up a problem for the local newspapers that are on a nonsubscription basis, that are first, mailed locally, under the third-class bulk rates in the local zone for delivery in that same local zone, they are presorted and bundled and they carry local news.

The question on this comes when several newspapers are owned by any one individual. Each little town or shopping center likes to have its own newspaper name.

If we are then protecting small weekly papers, is it then the legislative intent to interpret the words "who mails for himself" mean for each of those newspapers owned by any one individual there shall be the rate of 3.8 cents on the first 250,000 pieces mailed during the year?

Mr. OLSEN. I think the gentleman is absolutely correct.

Mr. FULTON of Pennsylvania. I thank the gentleman.

Mr. OLSEN. I want to say, too, that I think we ought to clarify the factor of shipping films. These films may be contained either on rolls or in cartridges. There is some question as to what kind of package but whatever the weight of the package is finally and however they package it, they will have to pay, of course, the whole pound rate.

Mr. DULSKI. Mr. Speaker, I yield 7 minutes to the gentleman from Iowa [Mr. GROSS] for purposes of debate.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I thank the gentleman from New York, the committee chairman, for yielding me this time.

I want to commend the gentleman from Pennsylvania [Mr. CORBETT] for the excellent statement he made. I join him in urging you to vote down the previous question and send this bill back to conference.

Mr. Speaker, I rise in opposition to the motion which is in the nature of a conference report on the bill, H.R. 7977.

Mr. Speaker, I rise in opposition to the adoption of the conference report on H.R. 7977, a bill to raise postal rates and to increase the salaries of postal and other Federal employees.

On October 11, 1967 the House failed by the narrow margin of only 13 votes to send this bill back to committee to correct the same errors which still remain in the conference agreement.

From the House conferees' standpoint the so-called conference on this bill was little more than an exercise in futility.

At the very outset we were delivered an ultimatum by the chairman of the conferees from the other body.

We were told if we did not agree on specific postal rate increases we would be in conference "until Christmas" and later we were told we would be there "until hell freezes over."

Thus the House conferees were threatened on a number of issues with which the House had expressed disapproval,

and to such an extent that one-third of the House conferees refused to sign the conference report.

One issue involved so-called trading on two unrelated sections of the bill; one pertaining to third-class minimum per piece postal rates and the other pertaining to the delegation to the President of authority to dictate the salaries of Members of Congress, heads and assistant heads of Government departments and agencies, and Federal judges.

With respect to the final agreement on third-class minimum per piece postal rates the House of Representatives is the victim of a running feud involving a third-class mailer lobbyist which is so widely known that it does not need repeating here.

Furthermore, the Postmaster General in April 1967 came to Congress with one set of postal rates and then after the House of Representatives approved such rates he changed his position and lobbied for different rates when the bill went to conference.

These are only a few of the reasons I refused to sign the conference report.

Of particular interest to those 199 Members of the House who voted to recommit this bill is the fact that the conference agreement does not cure a single defect in that bill in the form it was when they voted to recommit. In fact, a number of other defects have been added which make the conference report even less acceptable to the House.

The arbitrary powers granted to the President to set the salaries of Members of Congress, heads and assistant heads of executive departments and agencies, and Federal judges in 1969 still remain in the bill.

Mr. Speaker, I repeat what I said when this bill was originally before the House that this provision is delegation of congressional authority and responsibility, at its worst. It is an outright violation of the doctrine of separation of powers upon which our system of government is based. Through this process of fixing salaries, undue pressure could be brought to bear on Congress, judicial decisions could be influenced, executive branch policies could be altered, and decisions of quasi-judicial board and commissions could be changed.

This cringing abdication on the part of the House represents a delegation of power no President should seek, and should reject if offered him.

The arbitrary powers granted to the President to raise the salaries of Federal employees in whatever amounts he chooses in fiscal years 1969 and again in 1970 still remains in the bill.

Added to these unwise provisions the conference agreement contains a section to give special retirement benefits amounting to an estimated \$100,000, to a former Member of Congress who now is a Federal judge; thus creating a most dangerous precedent.

Not only that, the so-called conference agreement to which three House conferees disagreed, negates a mandate of the House by striking from the bill the provision that a portion of the cost of the pay increases shall be absorbed by the executive branch.

While the lobbyists for the Postmaster General exerted their influence at the

conference for different postal rates than those originally recommended, I noticed that they did not try to keep in the bill the only section that related to economy.

Is this the kind of performance the American people should expect from an administration which only 2 weeks ago asked Congress for a tax increase, promising a \$4 billion reduction in Federal expenditures?

On the contrary, Mr. Speaker, this is clear proof to the Congress that the administration gives only lipservice to the economy feature of its proposal presented to the Ways and Means Committee.

This is another reason why, in good conscience, as a conferee representing this body I could not sign the conference report.

I am told it is late in the session and that we will not stay here much longer, and for that reason we should not deprive Federal employees of a pay increase regardless of the defects in the bill. It should be clear to everyone by this time that this bill is retroactive to October 1, 1967, and Federal employees will receive a lump sum retroactive payment to October no matter when this bill becomes law. For this reason I believe the House should stand up to its responsibilities and correct the defects and inequities in this legislation by instructing its conferees in such manner.

Mr. Speaker, if I had my way a separate bill raising Federal employees salaries effective October 1, 1967, including a reclassification of postal employees positions in the lower levels would be on the statute books today. And it would be so, had not the political opportunists opposed such proposal in favor of a combination postal rate and pay increase bill containing three separate pay increases.

Some of my friends shed crocodile tears while they remonstrate with me about the loss in postal revenues if this bill does not become law now. I predict that within 60 days there will be more grandiose plans and visionary schemes to spend this additional postal revenue presented by the Post Office Department to the Appropriations Committees than you have ever dreamed of.

The amount of giveaways and preferential treatment in the conference agreement is so extensive that it is impossible to detail them here. For example, there are lower pound postal rates for heavyweight controlled circulation magazines, special preferential postal rates for museums and herbaria, special low postal rates for educational television stations, and a special 12 percent, \$3,000 per year increase in the salaries of Commissioners of the Court of Claims to \$29,000 annually.

Mr. Speaker, if the Members vote to approve this conference agreement, let me remind them that: First, they are voting to increase their own salaries; Second, they are delegating unprecedented authority to the President to set salaries of Federal officials and employees which costs about \$3 billion annually; Third, they are approving certain postal rates which are discriminatory in order to appease; Fourth, they are granting special retirement benefits to one former Member of Congress;

Fifth, they are rejecting a prior commitment to require a part of the cost of the salary increases to be absorbed by the executive branch, and Sixth, they are voting to give certain preferred treatment to a wide assortment of mailers.

I have no desire or intent to hold up pay increases for Federal employees, particularly at this season of the year.

However, Mr. Speaker, at the roots of this Christmas tree is a great big can of worms.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, since the gentleman from Iowa raised the point of order, which was sustained, if the previous question is voted down, would the gentleman then in the conference committee help us raise the third-class rates between January and June of 1969 in conformity with the rules of the House?

Mr. GROSS. This Member will vote as he did vote in committee for the 3.6 and 3.8 percent rates.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I am interested in the fact that the gentleman, as a great defender of the free enterprise system, should support subsidization of third-class rates for concerns that are making tens of millions of dollars a year.

Mr. GROSS. Mr. Speaker, I am surprised that the gentleman does not wage the same kind of campaign on second-class rates as he is on raising third-class rates. They are a much larger loser than third class.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I thank the gentleman for yielding.

Will the gentleman agree with me that we are presently considering the Senate-passed bill and not the conference report?

Mr. GROSS. I think that is the case, but this is a most unusual procedure.

Mr. HALL. If that be the case, would the gentleman agree with me that the Senate bill, if anything, is worse than the conference report as far as the Presidential Commission on Salaries, executive and legislative, the preferential treatment of one of our former Members, a military judge, the executive lobbying and Presidential arrogation of power, the amalgamation of supergrades and the bilateral consideration of both the mail rate increase and the civil service and postal employees' salaries is concerned?

Mr. GROSS. I think the gentleman is correct.

Mr. HALL. Then, I agree with the gentleman. We certainly should vote down the previous question and either amend this conference report, or we should vote finally to return this to conference.

Mr. CORBETT. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Mr. Speaker, I believe the response to the question of the gentleman from Missouri might be in error. If I understand the motion correctly, the motion is to recede and concur in the Senate bill with the conference report as an amendment.

Mr. GROSS. That is correct.

Mr. CORBETT. The gentleman stated that we were voting on the Senate bill, and then the gentleman went on to say he did not think the Senate bill was as good even as the conference report. So, to make it absolutely clear, the motion is to recede and concur in the Senate bill with the suggested House amendment, which would be the conference report.

Mr. GROSS. Which would put in the Senate bill, for instance, the Presidential Commission to fix salaries.

Mr. CORBETT. That is in the conference report, definitely.

Mr. GROSS. That is correct.

Mr. CORBETT. It would appear that the only way we could eliminate it would be to vote down the previous question and amend it.

Mr. GROSS. I agree with the gentleman from Pennsylvania.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. DULSKI. Mr. Speaker, I yield 10 minutes to the gentleman from Arizona [Mr. UDALL].

(Mr. UDALL asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Speaker, this is the best pay bill, the best rate bill, and the best all-around bill to come out of our committee in the last couple of decades. We have heard a lot of talk this year about the need for a tax increase in an overheated economy and the need to get some new revenues for the Federal Government. We are not going to do anything about it out of the Ways and Means Committee this year, but, if we approve this bill today, we will have nearly a billion dollars of new revenue, and it will start rolling in at the rate of \$2.5 or \$3 million a month beginning a month from now.

We talk about loopholes, but we have closed more loopholes under the leadership of the gentleman from Montana this year than has been done for a long time.

This is a full comparability bill. After years of argument, the Federal employees will have full comparability. It goes a long way toward reclassifying postal clerks and carriers, that some 250 Members of this body introduced bills to carry out.

It will relieve us of an election year pay bill, and it will be the first time in my memory that we will not have a pay bill in an election year. I am sorry to say, we have not always legislated wisely on a pay bill in an election year.

It is a sound bill, and those who have talked about voting down the previous question are, in my judgment, recommending a course of action that would be extremely unwise.

The reason we are hearing this technical problem, I say to my friends who are worried about postal rates for third-

class mail, is that in the conference report we went further toward the House position than we were permitted under the technical rules of the conference. The second stage for third-class mail occurs in 12 months. In the conference report, included in the pending amendment of the gentleman from New York, it would not be 12 months but it would be 18 months.

Should we go back to conference, I believe the likelihood is instead of doing something of the kind the gentleman from Pennsylvania and the gentleman from Iowa want to do we would find ourselves in the bind we found ourselves in the other day. Rather than helping the situation, we would harm it.

Mr. OLSEN. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Montana.

Mr. OLSEN. In that regard, in our committee we are going to have hearings on the question of the Post Office costs, and we will continue to have them year in and year out from now on. That has been a determination of our committee. So if there have to be more rate changes, we are capable of doing it.

Mr. UDALL. That is correct. The great subcommittee which the gentleman heads will do that job, I am satisfied.

Let me say to those Members who are interested in the plight of the Federal employees that the Government makes its studies of comparability based on March figures. We started the hearings in April, believing that we could get the pay bill in July. They wanted July 1. The main fight they made was for a July 1 effective date.

When we came out of the committee and came to the floor of the House, we compromised on the October 1 date. They do not have this yet, but there is still a chance that the retroactive features of this pay raise can be signed and put into effect, if the Congress will act this week.

Should we go back to conference, if the previous question is voted down, the Members will have complaints, I can assure them, from the Federal employee organizations.

I believe that the vote on the previous question and on the conference report really will be a fair test of whether one is against the Federal employees, or whether he wants to do a measure of justice for them. This provides only an October 1 effective date, when they asked for and I thought made a strong case for July. Or, it is a question of whether we will stall this off until after the first of the year, and possibly delay adjournment of the Congress, which we are trying to work out this week, and generally do a very serious injustice to people who have been delayed month after month after month.

So I urge that the previous question be voted up and that we adopt the amendment of the gentleman from New York [Mr. DULSKI] and complete action on this important bill here tonight.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. As the gentleman knows, the provision I have been

interested in prohibits nepotism. It was attached to the bill and went to the Senate. In the Senate they rewrote the bill and included in it what I would call a loophole, which actually provides that veterans in certain cases do not have this provision applied to them.

I believe the bill ought to apply across the board, whenever it applies, to all, not only to one branch but to all three branches and to all people equally.

I take it from the conversations I have had with the gentleman, his advice is that this is really the best that can be done, the principle has been firmly established, and he believes we should accept this. Is that correct?

Mr. UDALL. The gentleman from Iowa ought to have full credit for ending this practice of nepotism in the Federal Government. Due to the gentleman's long and vigorous advocacy of this kind of legislation it is finally going to be written into the law.

While the Senate opened what might be termed a small loophole, which the gentleman has referred to, it also closed one, in that it broadened the definition of relatives to include some categories that we omitted.

I will say to the gentleman that the Senate was very adamant on the veterans.

The proposition is that here is a man who is a veteran. He takes an examination for a particular job. He is on the list of eligibles. He otherwise would get the job, except for the fact that he is related to the appointing official.

The Senators who served on the conference felt that it was very unjust to say to a man, "You could have this job as a veteran. You have taken the test. You are on the roster. You are qualified. But because you happen to be related to someone in a position to make a recommendation or an appointment you as a veteran must be denied the job you otherwise would have."

Mr. SMITH of Iowa. Of course, the same thing would apply to a nonveteran.

Mr. UDALL. That is of course true. Some of the Senate conferees serve on the committees which deal with veterans affairs in the other body, and they were very adamant.

We were afraid that this particular provision would hang us up on the whole bill unless we yielded, and we did.

Mr. SMITH of Iowa. This is the best that could be done?

Mr. UDALL. This is the best that could be done. I believe the great majority of the kinds of practices the gentleman has been striking at will be removed by this bill.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Florida.

Mr. HALEY. Just as a matter of inquiry, the Presidential Commission that will set the salaries of Members of Congress was not in the Senate bill. Am I correct on that?

Mr. UDALL. That is correct.

Mr. HALEY. And he will have the authority in future years to set the salaries of Members of Congress of the United States and Senators?

Mr. UDALL. No. I think the gentleman is not entirely correct. There has been considerable misunderstanding on this. The President does not set salaries. The President does not recommend them. But the Commission—two of whose members will be appointed by the Speaker of the House and two by the President of the Senate—will recommend salaries every 4 years. The President has the power to decrease but not to increase those recommendations. Then it comes to the Congress. We hold the final trigger. If the gentleman and I are both here and you want to have a political exercise, let us vote down a pay raise for ourselves in 1969, which we have the right to do under this provision.

Mr. HALEY. If the gentleman will yield further, this is supposedly two equal branches of the Government, the legislative and the executive branches. It is a strange theory and strange reasoning to me that if we do not have the courage to vote ourselves a salary increase if we think we need one, why should we push it off on some commission which is established by the executive branch of the Government?

Mr. UDALL. I will tell the gentleman that there are two reasons why. One is history. The average length of time between congressional and legislative and judicial salary increases is about 24 years. We have had seven of those since George Washington's time. It took 28 years to raise the pay from \$6 a day to \$8 a day and then some Members were beaten when they went back and their opponents campaigned up and down the country saying that they had raised their own pay.

The second reason is that no man ought to have the right or the sole responsibility to set his own pay. The public is entitled to have a say on these commissions which will be looking over our shoulder and making recommendations and bearing a part of the burden. I do not agree for a moment that Federal judges ought to have the right to fix their own pay or that Cabinet members ought to have the right to fix their own pay without interference from anyone else. Why should Members of Congress, as a matter of logic, as a matter of commonsense and good political science, say that nobody else is going to have anything to say and that we are the sole judges of what our salary is going to be?

Mr. HALEY. Maybe if we will have a commission there, we will have a reduction in senatorial and congressional salaries. That is probably long overdue, also.

Mr. UDALL. The commission will have the right to recommend reductions, and I am sure they will be glad to hear testimony from the gentleman from Florida if he thinks that the salaries should be reduced.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Iowa.

Mr. GROSS. Paragraph (h) of the proposal before the House provides for pay recommendations by the President. It provides for his recommendations with respect to the exact rates of pay he deems advisable.

Mr. UDALL. That is right. They are only recommendations which take effect in the event that the Congress does not veto them or pass another provision of law. We could get a quorum here very quickly if the President tried either to raise or to lower the salaries in a manner which was considered offensive to the House. As a matter of fact, I think we could have no trouble at all raising a quorum if this should happen.

Mr. GROSS. Of course, the President's recommendation is not confined to Members of Congress, but it goes as well to all of the judiciary and to all of the top level in the executive branch of Government.

Mr. UDALL. Of course it does. And the students of the Federal personnel system are unanimously agreed that it is the most far-reaching and forward-looking attempt to improve the Federal career service of anything that has been done in modern times.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order, inasmuch as the gentleman says he can raise a quorum most any time, that a quorum is not present.

The SPEAKER pro tempore (Mr. BURLESON). Evidently a quorum is not present.

Mr. PRICE of Illinois. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 432]

Annunzio	Frelinghuysen	Maillard
Bates	Green, Oreg.	Martin
Bell	Halleck	Mathias, Md.
Blackburn	Hardy	Nichols
Bolling	Harrison	Reinecke
Broomfield	Harsha	Resnick
Button	Heckler, Mass.	Rivers
Carter	Henderson	St. Onge
Cowger	Herlong	Snyder
Dickinson	Hosmer	Stratton
Diggs	King, N.Y.	Teague, Tex.
Dole	Kuykendall	Watson
Erlenborn	Lukens	Williams, Miss.
Fino	McClory	Willis
Fountain	McEwen	Wyatt

The SPEAKER pro tempore. On this rollcall 387 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested a bill of the House of the following title:

H.R. 7819. An act to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. CUNNINGHAM] for debate.

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker and Members of the House, for those who have come in at this moment, following the quorum and who may not have heard what went on before, I might say that the majority of the speakers have been in favor of this conference report.

I happened to have been a conferee on the conference report, and I favor the conference report. I signed the conference report.

As the gentleman from Arizona [Mr. UDALL] stated—and I agree—this is the best bill that has come out of this Congress in generations.

A threat was made earlier that a motion will be offered to vote down the previous question, and that may be the first vote that will occur on the conference report.

Mr. Speaker, as I said, this is the finest bill that has come out of this Congress in generations. We spent months and months and months working upon this bill.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Arizona.

Mr. UDALL. I believe the gentleman in the well has had a lot to do with the fact that it is a fine bill. I simply want to say to him, as a member of the committee, I appreciate the hard work he has put in and the contribution he has made.

Title III of the bill which is going to be enacted will begin to control some of the objectionable obscene material. The gentleman from Nebraska deserves a lot of credit for that. I want to thank the gentleman for that, and I thank him for urging his colleagues to vote up the previous question so that we can dispose of this tonight and get this good bill enacted.

Mr. CUNNINGHAM. I appreciate the gentleman's remarks.

I might say that the only deficiency I have seen in this bill, and one that I worked hard to improve, is the tremendous subsidy that we give to newspapers and magazines. Newspapers and magazines, which are second-class mail, pay only 33 percent of their way. They are subsidized by the taxpayers of this country to the tune of 67 percent of their cost of handling. This could reach a figure of about a half billion dollars that the American taxpayer must pay from his pocket to subsidize newspapers and magazines—second-class mailers.

We fought that battle out when this was before the House, and I shall not dwell on it further. I wanted the Members to know that this is where the big deficiency and loss of revenue and injustice is so far as this legislation is concerned.

Reference was made by one or two speakers that we were voting to increase our salaries in this bill. Nothing could be further from the truth. There is a

Commission to be set up to study salaries but the Congress will have the final say as to whether or not they should be approved. So do not let anyone be misled. Do not let the statement we are raising our salaries go unchallenged. We are not increasing our salaries.

A suggestion has been made that we vote down the previous question and go back to conference. I can say as a conferee, this would be a waste of time. I would be futile.

The session is late. There is very strong feeling on the part of the other body on one provision of the legislation that is objected to by one of the Members on my side of the aisle; namely, the third-class postal rates. However, I know that the other body will not give on this even though I think they should. I might say so far as the third-class rates are concerned, they pay 100 percent of their way. If you take the cost ascertainment figures plus the 18 steps third-class mail users are required to perform and add those two costs together, you will see they are paying 100 percent of their way.

So, Mr. Speaker, I say that the people who are getting the real giveaway and handout here are the newspapers and magazines. They have the most powerful lobby I have ever seen. This is beside the point, however, because, as I said, we fought that out when this bill was before this body originally.

The gentleman from Iowa is very much opposed to this bill. He has made very many statements here earlier in this debate on his position. The gentleman from Iowa did not vote for this bill when it was before the House originally. He recommended a little while ago that this report go back to conference. As I said, we will get nowhere by taking this back to conference. We have a good bill here. Most everything that the House adopted has been approved by the Senate. They have given in more than we have.

Mr. Speaker, in conclusion, particularly to those on my side of the aisle, let me say that I urge my colleagues to vote yes on the previous question—vote aye on the motion in favor of ordering the previous question, and let us get this over with. Let us bring this to a conclusion. Let us vote this up and have a bill passed and be on our way home for Christmas.

Mr. DULSKI. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. DANIELS].

(Mr. DANIELS asked and was given permission to revise and extend his remarks.)

Mr. DANIELS. Mr. Speaker and Members of the House, I rise in support of this conference report. I think it is a good bill. The subcommittees involved worked extremely hard not only in the subcommittee but in full committee. In addition thereto, the conferees spent 4 full days in trying to work out the differences between both bodies. They say that the art of all good legislation is the art of compromise. I think this bill before us tonight, this conference report, is indeed a product of good compromise.

A great deal of discussion has taken place about this bill, but hardly any discussion has taken place with reference to title IV dealing with the Federal employees' life insurance. I would like to take a few moments of your time to ex-

plain that portion of the bill. It provides for life insurance equal to an employee's annual rate of pay plus \$2,000, with a minimum of \$10,000 and a maximum of \$32,000.

Further, with respect to the premiums, the premium sharing would be the same as exists in the present law. Federal employees would pay two-thirds of the premium and the Government would pay one-third of the premium. Of course, this contains a new provision that the Civil Service Commission shall have the right to adjust the rates of contribution to the level cost of the insurance in the future. It also contains a new provision which would authorize an employee to obtain and to pay the full cost of additional life insurance at his option in an amount of not more than \$10,000 or an amount which when added to the basic coverage does not exceed the employee's annual pay.

I might say to the Members of this House that this insurance bill before us today is substantially the same as the insurance bill which was previously adopted and passed by this body and also passed by the other body.

First, with reference to the premium formula.

Second, with reference to this new additional life insurance in the amount of \$10,000.

Mr. Speaker, under the bill which was passed by both bodies prior to this time, but which was vetoed by the President of the United States on August 12 of this year, the premium formula was the primary question involved. We had attempted to change the premium formula from the existing law by having employees pay 60 percent of the premium and the Government pay 40 percent of the premium.

Mr. Speaker, that particular modification would have cost more than \$20 million. It is not in this conference report.

So, in the bill now pending before us today the specific difference is the option to purchase an additional \$10,000 worth of life insurance.

Under the provisions of this bill and the conference report, I would like to point out the fact that an employee does not have to buy this additional insurance; it is purely optional.

Secondly, it would be made available to employees for purchasing at their own expense. In other words, there is no cost to the Government.

Third, while certain statutory requirements are prescribed, the optional coverage would be made available under such conditions as the Commission shall prescribe.

Fourth, this coverage would be provided by the insurance industry in the same manner as is the regular insurance now provided.

Fifth, it would continue into retirement the same as the regular insurance, if purchased at the first opportunity, or in force for the period of 12 years immediately preceding retirement.

Mr. Speaker, this additional insurance would reduce at the rate of 2 percent a month, down to 25 percent, of the prin-

cipal sum, beginning at retirement or after age 65, whichever anniversary occurs later.

It would include an equal amount of accidental and dismemberment insurance, up until the time of retirement, but not thereafter.

Finally, Mr. Speaker, I would like to point out the fact that it would permit new employees to continue, through their salaries, this arrangement but with no part of the cost to be paid on the part of the Government.

Mr. Speaker, in my opinion this is a good bill and I recommend that the conference report be adopted.

Mr. DULSKI. Mr. Speaker, I yield as much time as he may consume to the distinguished gentleman from West Virginia [Mr. HECHLER].

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, I am very pleased about the fact that a much more balanced rate bill has been obtained than Congress voted in 1962, when the conference committee literally butchered the third-class rate. At the time the House of Representatives voted a 3.5-cent third-class rate, but the conference committee cut it back to 2.875 cents. In the light of subsequent events, it is unfortunate that the 3.5-cent rate did not prevail.

I still feel that is grossly unfair to force the average person who does not have a big lobby working for him to pay a 6-cent first-class rate, while third-class mailers, with a powerful lobby, still pay far less than 100-percent cost coverage.

Mr. Speaker, the Assistant Postmaster General, the Honorable Ralph Nicholson, has repeatedly stated that even considering ZIP code savings, the new rates are less than 80 percent cost coverage.

Mr. Speaker, I was again reminded today that second-class rates are subsidized to a greater extent than third-class rates. The House of Representatives passed a second-class surcharge on publications circulating over 500,000, which I sponsored, but it was knocked out in conference.

Mr. Speaker, I have the highest personal regard for my friends who have worked so hard on this bill, but I regret that I cannot support it because of the inequity which exists between first- and third-class postal rates.

Mr. RYAN. Mr. Speaker, I am very pleased to note that the conferees have agreed to accept the Senate-adopted amendment which includes previously omitted playscripts under educational materials entitled to fourth-class mailing rates.

On October 11, when I offered this amendment, the leadership of the House Committee on Post Office and Civil Service accepted it, but dissenting votes from the other side of the aisle prevented its immediate adoption. I have introduced this proposal in several previous Congresses and believe that the acceptance of this amendment has been long overdue.

On November 29 this amendment was

presented in the Senate by Senator YARBOROUGH, who agreed that this inequity deserved correction, and it became part of the Senate legislation.

This amendment simply adds "playscripts" to subsection 6 under section 4554 of title 39 of the United States Code which presently allows manuscripts for books, periodicals, and music to utilize fourth-class mailing privileges. In removing this discriminatory omission the limited volume of playscripts will result in no significant loss of revenue, according to a Bureau of the Budget report of February 10, 1966, and will "lessen operational and rate problems for postal employees pricing such matter" according to the Postmaster General in his report of February 14, 1966.

I am gratified that my amendment is included in the conference report on H.R. 7977, the Postal Revenue and Federal Salary Act of 1967, and wish to express my appreciation to the conferees for their action.

Mr. HORTON. Mr. Speaker, I rise to reaffirm my support of H.R. 7977, the Postal Rate and Federal Salary Act of 1967.

Although the bill before us does not provide all of the compensation benefits to postal employees which I feel it should, it does make very substantial improvements in these benefits and it will provide members of the postal field service with their long-overdue goal of wage comparability. I continue to believe that reclassification of postal field service salary grades is essential if the Department is to retain its most skilled and dedicated employees. Accordingly, I will continue to press for reclassification. In the meantime, I urge my colleagues to join me in supporting the measure presently before us.

I am particularly pleased that both the House and the Senate have adopted a provision to combat smut mail which is almost identical to a measure I sponsored earlier this year. The upsurge of this disgusting mail has assumed incredible proportions in recent months and I am gratified that we are now acting to balance the individual's right of privacy against the smut peddler's freedom of speech.

Mr. DULSKI. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. CORBETT) there were—ayes 125, noes 14.

So the previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. DULSKI] that the House recede from its disagreement to the amendment of the Senate and concur therein, with an amendment.

Mr. UDALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 327, nays 63, not voting 43, as follows:

[Roll No. 433]

YEAS—327

Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Arends
Ashley
Aspinall
Ayres
Baring
Barrett
Battin
Belcher
Bevill
Biester
Bingham
Blanton
Blatnik
Boggs
Boland
Bolton
Brademas
Brasco
Brinkley
Brock
Brooks
Brozman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Cabell
Cahill
Carey
Casey
Cederberg
Celler
Chamberlain
Clancy
Clark
Clausen,
Don H.
Clawson, Del.
Cleveland
Cohelan
Conable
Conte
Conyers
Corman
Cramer
Culver
Cunningham
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Denney
Dent
Derwinski
Diggs
Dingell
Dole
Donohue
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Ellberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Fasell
Feighan
Findley
Fisher
Flood
Foley
Ford, Gerald R.
Ford,
William D.

Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Gardner
Garmatz
Gettys
Giaino
Gibbons
Gilbert
Gonzalez
Goodell
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gurney
Haley
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harvey
Hathaway
Hawkins
Hays
Hébert
Helstoski
Hicks
Holifield
Holland
Horton
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kleppe
Kluczynski
Kornegay
Kyros
Leggett
Lloyd
Long, La.
Long, Md.
McCarthy
McClary
McClure
McCulloch
McDade
McDonald,
Mich.
McEwen
McFall
McMillan
Macdonald,
Mass.
MacGregor
Machen
Madden
Mailliard
Mathias, Calif.
Matsunaga
May
Meeds
Meskill
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Moore
Moorhead
Morgan

Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Pollock
Pool
Price, Ill.
Price, Tex.
Pucinski
Purcell
Quie
Quillen
Rallsback
Randall
Rees
Reid, Ill.
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Saylor
Schadeberg
Scherle
Scheuer
Schweiker
Schwengel
Scott
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Okla.
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tunney
Udall
Ullman
Van Deerlin

Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Whalen
Whalley

White
Whitener
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Wilson,
Charles H.
Winn
Wolf

Wright
Wylder
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—63

Abbitt
Abernethy
Andrews, Ala.
Ashbrook
Ashmore
Bennett
Berry
Betts
Bow
Bray
Buchanan
Bush
Byrnes, Wis.
Collier
Colmer
Corbett
Curtis
Davis, Ga.
Davis, Wis.
Devine
Dorn

Edwards, Ala.
Everett
Flynt
Gathings
Goodling
Gross
Hagan
Hall
Hammer-
schmidt
Hechler, W. Va.
Jonas
Kyl
Laird
Landrum
Langen
Latta
Lennon
Lipscomb
Mahon
Marsh

Mayne
Michel
Mills
Montgomery
Nelsen
O'Neal, Ga.
Poage
Poff
Pryor
Rarick
Reifel
Satterfield
Schneebell
Selden
Springer
Stuckey
Teague, Tex.
Tuck
Watts
Whitten
Wylie

NOT VOTING—43

Annunzio
Bates
Bell
Blackburn
Bolling
Broomfield
Button
Carter
Cowger
Dickinson
Erlenborn
Fino
Fountain
Frelinghuysen
Halleck

Halpern
Hardy
Harrison
Harsha
Heckler, Mass.
Henderson
Herlong
Hosmer
King, N.Y.
Kupferman
Kuykendall
Lukens
Martin
Mathias, Md.
Multer

Nichols
Reid, N.Y.
Resnick
Rivers
St. Onge
Smith, N.Y.
Snyder
Stratton
Utt
Watson
Williams, Miss.
Willis
Wyatt

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Carter for, with Mr. Martin against.

Mr. Harrison for, with Mr. Kuykendall against.

Mr. Fino for, with Mr. Cowger against.

Until further notice:

Mr. Annunzio with Mr. Broomfield.

Mr. St. Onge with Mr. Halpern.

Mr. Henderson with Mr. Bell.

Mr. Fountain with Mr. Wyatt.

Mr. Stratton with Mr. Kupferman.

Mr. Nichols with Mr. Watson.

Mr. Multer with Mr. Smith of New York.

Mr. Resnick with Mr. Reid of New York.

Mr. Hardy with Mr. King of New York.

Mr. Herlong with Mrs. Heckler of Massachusetts.

Mr. Rivers with Mr. Bates.

Mr. Willis with Mr. Halleck.

Mr. Williams of Mississippi with Mr. Snyder.

Mr. Mathias of Maryland with Mr. Blackburn.

Mr. Button with Mr. Dickinson.

Mr. Frelinghuysen with Mr. Erlenborn.

Mr. Hosmer with Mr. Lukens.

Mr. Harsha with Mr. Utt.

Mr. PASSMAN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their

remarks and to include extraneous matter on the motion just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CORRECTION OF VOTE

Mr. HICKS. Mr. Speaker, on rollcall No. 431 I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the RECORD be corrected accordingly.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORITY TO CONSIDER DISTRICT BILLS ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that District bills, H.R. 8581, to increase the price for reports of the U.S. Court of Appeals for the District of Columbia Circuit, and H.R. 14330, to provide a program for the prevention and treatment of alcoholism in the District of Columbia, may be brought up on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 7819, THE ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7819) to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object—and I have no intention of objecting—the gentleman from New York was consulting with the gentleman from Kentucky on the question that I was about to raise. Has there been general agreement upon that question?

Mr. PERKINS. Mr. Speaker, if the distinguished minority leader will yield, there has been such general agreement. The conferees were cleared by the distinguished gentleman from Ohio [Mr. AYRES] and the distinguished gentleman

from Minnesota [Mr. QUIE] in the list that I have submitted to the Chair.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Mr. PERKINS, Mrs. GREEN of Oregon, Messrs. HOLLAND, PUCINSKI, DANIELS, BRADEMAs, CAREY, ALBERT, AYRES, QUIE, GOODELL, BELL, ESCH, and STEGER of Wisconsin.

TO DESIGNATE THE SAN RAFAEL WILDERNESS, LOS PADRES NATIONAL FOREST, IN THE STATE OF CALIFORNIA—CONFERENCE REPORT

Mr. BARING submitted the following conference report and statement on the bill (S. 889) to designate the San Rafael Wilderness, Los Padres National Forest, in the State of California:

CONFERENCE REPORT (H. REPT. No. 1029)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the Bill (S. 889) entitled "An Act to designate the San Rafael Wilderness, Los Padres National Forest, in the State of California", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

WALTER S. BARING,
HAROLD T. JOHNSON,
MORRIS UDALL,

Managers on the Part of the House.

HENRY M. JACKSON,
CLINTON P. ANDERSON,
FRANK CHURCH,
THS. H. KUCHEL,
GORDON ALLOTT,

Managers on the Part of the Senate.

STATEMENT

The Managers on the part of the House at the Conference on the disagreeing votes of the two Houses to the bill (S. 889) to designate the San Rafael Wilderness, Los Padres National Forest, in the State of California, submit this statement in explanation of the effect of the language agreed upon and recommended in the accompanying Conference Report.

Both the Senate and the House versions of S. 889 provide for the designation of a substantial area within the Los Padres National Forest as the San Rafael Wilderness. As passed by the Senate, S. 889 includes approximately 143,000 acres of rugged, relatively undisturbed wilderness land. As amended by the House the bill includes an additional 2,200 acres, consisting of three separate tracts of land, located along the northeast boundary of the proposed wilderness area. These three areas were added by the House primarily to provide for the inclusion of four sites displaying excellent examples of pictographs by the now extinct Chumash Indians, as well as to provide some additional protection along the route of a major flyway of the California condor and to include some additional natural grass openings, or potreros, within the exterior boundaries of the proposed wilderness area.

Since the adoption of the amendment by the House to include the additional 2,200 acres, information has been made available by the Forest Service emphasizing the extremely critical nature of wildfires and their control in this area and further emphasizing the vital importance of the additional area to existing and planned fire control programs. The subsequent information also

points out that one of the most serious fire threats in brush areas, such as San Rafael, is from great sweeping conflagrations that move rapidly on a wide front. It has been well established that advance preparation of fuelbreaks will greatly enhance the chances of keeping a fire from sweeping over a ridge from one drainage to another. To aid in the control of such disastrous fires the Forest Service has, for several years, embarked on a program of establishing a system of fuelbreaks along the ten-mile stretch of the Sierra Madre Ridge southeast from Montgomery Potrero. This fire control system consists of areas wherein the brush has been removed and the area converted to grass. These converted grass areas are connecting links with the natural potreros and, with the potreros, make up a fire control line. About 900 acres of this work has been completed but another 600 acres remains to be converted. All of the remaining 600 acres of the strategic lands still to be treated lie within the 2,200-acre addition. It has been further represented that there are no suitable substitute areas that could be readily selected by the local fire control experts outside the 2,200-acre addition.

The House Members of the Conference Committee have very carefully weighed all information available on the problem of fire control as well as the possibility of selecting alternate sites for such control outside the 2200 acre addition. Based upon the best information available from private, state and federal fire control organizations, each familiar with the area and each a recognized authority on wildfires of the type common to this vicinity, the Members concluded that alternate sites for fire control are not readily available outside the 2200 acre addition.

As the prevention of disastrous wildfires is of major concern in this area and as the responsibility for the control and prevention of such fires rests with the Forest Service, the statements and recommendations of that agency weighed heavily with the conferees. As late as 1966 fires have occurred in this area and in the great Wellman fire of that year 70,000 acres were burned within the proposed wilderness area. Any course of action which would seriously inhibit fire control measures must, in the opinion of the conferees, be avoided. For this reason, and then only after strong representations by the Forest Service, the recognized experts in forest fire prevention as well as the agency that must take action to fight and control these fires, did the conferees agree upon the deletion of the additional 2,200 acres.

With respect to the Chumash Indian pictographs, it should be pointed out that examples of this culture are not confined to the additional 2,200 acres but some of the best preserved pictographs are located well within the wilderness area. Also, while the House amendment added some potreros to the wilderness, there are a number remaining within the proposal, including approximately 400 acres of the Montgomery Potrero.

Your conferees were not unmindful of the necessity to protect the Chumash Indian pictographs and the rare California condor, or of the advantages of preserving the beauty of the potreros in their natural state for the enjoyment of future generations. To a very large extent these values can be preserved by limiting public use to and on roads in this area and by maintaining the wilderness characteristics of the area without actual inclusion within a designated wilderness. Accordingly, the conferees find that the Sierra Madre Ridge road should remain closed to all but administrative traffic from McPherson Peak Lookout easterly to a point one mile from Santa Barbara Canyon, and that public travel should also be restricted on the Buckhorn and Cachuma Saddle-McKinley Peak road to the extent deemed advisable by the Forest Service. The conferees further stress that protection of the Chumash Indian pic-

tographs in the area, as well as the protection of the endangered California condor, is essential. It is also desired that the potrero land adjacent to the wilderness areas be preserved as nearly as possible in its natural state, consistent with fire control needs.

Should the exclusion of the area contemplated by the House amendment impede the protection afforded these values, the Congress should review the entire proposal with a view to amending the wilderness boundaries.

WALTER S. BARING,
HAROLD T. JOHNSON,
MORRIS UDALL,

Managers on the Part of the House.

EILEEN SHANAHAN PROTECTS PUBLIC'S RIGHT TO KNOW ABOUT THE FEDERAL RESERVE

(Mr. PATMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PATMAN. Mr. Speaker, the New York Times performed a great service last Tuesday when it printed a news story based on a so-called off the record speech by Federal Reserve Board Chairman, Williams McChesney Martin.

The Times reporter, Eileen Shanahan, performed in the highest traditions of journalism in refusing to accept the clumsy attempts to keep Mr. Martin's remarks out of the press and away from the public. The public's right to know was protected and the New York Times and Eileen Shanahan should be commended.

During this speech, William McChesney Martin, referred to the President of the United States as "irresponsible." The Federal Reserve Chairman then went on to tell his audience of bankers and lobbyists just how the country ought to be run.

This speech was before more than 200 people who were attending an American Bankers Association meeting. As the New York Times concluded, it would have been indeed absurd to have considered a speech as "off the record" before such a large group.

Of course, the Federal Reserve Board Chairman wanted these "insiders" to hear his remarks about the President and then to whisper them among their friends on Wall Street and in other financial centers around the country. In this manner, Mr. Martin felt he could do the maximum damage to the President with the minimum danger to himself.

Eileen Shanahan's insistence on the public's right to know foiled this neat political gimmick.

Mr. Speaker, I hope that the New York Times straightforward reporting of this bankers' meeting heralds an era of vigorous and complete reporting on monetary affairs. I hope this means that the press will go behind the Federal Reserve's carefully worded press releases and off-the-record statements and report the full facts on monetary matters.

The Federal Reserve has long followed a practice of letting a few "insiders" know the secrets of its operations. It is the most secretive operation in Washington and it manages the release of information with great skill. As a result, the public is usually fed a steady diet of

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
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HIGHLIGHTS: Senate agreed to conference versions of pay-raise and postal rate bill and continuing appropriations measure. House passed supplemental appropriation bill. Senate received Shulman nomination to be USDA General Counsel. Sens. Dirksen and Long, Mo., introduced and discussed bills to amend Administrative Procedure Act.

SENATE

1. APPROPRIATIONS. By a 74-0 vote, agreed to the conference version of H. J. Res. 888, the continuing appropriations measure (see Digest 200 for provisions). This measure will now be sent to the President. pp. S18429-43
2. PAY RAISE; POSTAL RATES. By a 72-0 vote, agreed to the conference report on H. R. 7977, the pay-raise and postal-rates bill. This bill will now be sent to the President. pp. S18406-26

3. WATER POLLUTION. Passed without amendment S. 2760, to amend the Federal Water Pollution Control Act to authorize research and demonstration programs for the control of lake pollution and acid and other mine water drainage, and to prevent pollution of water by oil. pp. S18448-54
4. NOMINATION. Received the nomination of Edward M. Shulman to be General Counsel of this Department, vice John C. Bagwell. p. S18477
5. EDUCATION. Conferees were appointed on H. R. 7819, the elementary and secondary education bill (p. S18378). House conferees have been appointed.
6. MIGRANT FARMERS. Sen. Williams, N. J., urged the extension and expansion of the migrant farmers' health program. pp. S18472-3
7. OLDER AMERICANS. Sen. Nelson inserted several resolutions, which include several items of interest to this Department, passed by the Allied Council of Senior Citizens of Wis. pp. S18404-6
8. FOREIGN TRADE. Sen. Dirksen criticized the Department of Commerce's method of computing and reporting balance-of-trade statistics. pp. S18456-7
9. MEAT INSPECTION. Sen. Mondale inserted a telegram in support of the meat inspection program. pp. S18461-4
10. SOCIAL SECURITY. Sen. Metcalf inserted several letters and articles in opposition to the conference report on H. R. 12080, the social security bill. pp. S18464-6
11. POPULATION EXPLOSION. Sen. Yarborough spoke in favor of S. 1676, to coordinate and disseminate birth-control information upon request at home and abroad, and inserted several articles on this subject. pp. S18467-70
12. PERSONNEL. Passed as reported H. R. 1411, which includes a committee amendment to provide 129 additional positions at grades GS-16, GS-17, and GS-18 to meet certain emergency needs of several executive agencies. The committee report indicates that the majority of these new positions would be in the Departments of Transportation, HEW, and HUD. However, the report states, "The committee believes that the Commissioners should give very careful consideration to the needs of all other executive agencies, particularly those with new or substantially expanded programs, and with particular reference to the Department of Agriculture, the Post Office Department, the Veterans' Administration, and the Bureau of the Budget." (Dec. 11, pp. S18359-60)

HOUSE

13. APPROPRIATIONS. Passed, 307-77, as reported earlier in the day (H. Rept. 1037), H. R. 14397, making supplemental appropriations for fiscal year 1968. The bill includes items for the Appalachia program, the poverty program, saline-water research, and the Public Land Law Review Commission. pp. H16806, H16718-25
14. FARM LABOR. A subcommittee of the Education and Labor Committee approved for full committee action H. R. 4769, amended, to make the National Labor Relations Act applicable to agriculture. p. D1121

Whereas there has been a rapid and continuous increase in the cost of food, clothing, medicines, and other necessities to a decent standard of living; and

Whereas the Food Stamp Program was created by the Federal Government to assist those with substandard incomes; now, therefore

Be it resolved that the Food Stamp Program be liberalized so that more aged persons can participate;

Be it further resolved that cooperative programs and aged organization be established so that better communications and understanding of the Food Stamp Program will exist, which would result in more aged persons benefiting by the Food Stamp Program;

Be it further resolved that, if food prices and cost of medicines continue to rise, the Federal Government consider price fixing in these areas; and

Be it further resolved that a copy of this resolution be sent to the U.S. Senators and Congressmen from the State of Wisconsin.

REDUCED FARE FOR TRAVEL FOR AGED

Whereas many of our aged people find it desirable and necessary in their remaining years of their life to have a useful and educational and pleasurable experience in traveling to various parts of our country which was denied them during most of their working lives; traveling costs have risen

Therefore be it resolved that the Congress of the United States enact legislation whereby some of the travel cost by the aged such as Ship Travel, Air Travel, Rail Travel and Bus Travel be subsidized so that the aged are able to travel at the lowest possible cost.

Be it resolved that the National Council of Senior Citizens go on record in behalf of the above action.

SOCIAL SECURITY

Whereas many retirees and others who depend upon Social Security cannot meet their minimum needs under the present low schedule of benefits; and

Whereas President Johnson has constantly asked the United States Congress to increase Social Security benefits by an average of 20% and,

Whereas the protection offered by Social Security is of vital importance not only to those who receive it, but also to the national economy and to the welfare of many citizens of Wisconsin; and

Whereas the inadequate Social Security benefits not only affect those who rely on such benefits, but impose a social and economic burden upon all citizens; therefore be it

Resolved that the Allied Council of Senior Citizens of Wisconsin, Inc., urge our Congress to go on record as favoring an immediate increase of not less than 20% in Social Security; that Social Security be made a part of the cost of living formula; that the minimum Social Security be established of \$125 per person per month; and that the age limit be lowered to 60 years; and be it

Further resolved that certified copies of this resolution be transmitted to our Wisconsin Senators and Congressmen.

POVERTY PROGRAM

Whereas there are some twenty million aged, 65 or over in the United States and four hundred fifty thousand aged in Wisconsin; and

Whereas there are enough statistics to prove the aged are the lowest low-income group in America and that over 60% of those living in poverty in this country are age 65 or over; and

Whereas continued research is wasted money; and

Whereas two years ago the United States Congress provided millions of dollars for a Poverty Program; and

Whereas the aged have had little opportunity to participate in programs to strengthen their voice through organization; and

Whereas the aged want to assume responsibility to solve their own problems;

Be it resolved that the project under the Poverty Program opposed by the aged be given priority consideration; and

Be it further resolved that, unless an immediate and effective program is developed whereby monies are funded for programs initiated and implemented by the aged, such, programs be carried on by the Health Education and Welfare Dept., instead of the Poverty Program as now designed; and

Be it further resolved that the "Project Involve", which was submitted by the Allied Council of Senior Citizens of Wisconsin Inc. be given immediate consideration and funding; and

Be it further resolved that copies of this resolution be sent to all United States Senators and Congressmen from the State of Wisconsin.

IMPROVEMENT IN THE MEDICARE PROGRAM

Whereas it is common knowledge that the Medicare program was enacted over the strenuous objections of the American Medical Association, the National Chamber of Commerce, and the reactionary and conservative members of Congress; and

Whereas the Medicare program as enacted was far short of the needs of the recipients of Medicare; and

Whereas the cost of prescriptions, dental work, hearing aids, eye care, etc., are beyond the reach of many senior citizens; and

Whereas an immediate increase of not less than 50% in current and prospective benefits payments applicable throughout the range of covered earnings is needed; and

Whereas additional coverage for the cost of Chiropractor services, and prescription drugs used outside the hospital is not included;

Be it resolved that the Allied Council of Senior Citizens of Wisconsin Inc., work towards amending the Medicare program to include the services and expenditures as outlined above, and

Be it further resolved that a copy of this resolution be sent to all United States Senators and all Congressmen from the State of Wisconsin.

OPPOSITION TO INCREASE IN MEDICARE INSURANCE

The Allied Council of Senior Citizens of Wisconsin, Inc. believes that it is necessary to the American way of life and to the health and welfare of the aged that Social Security and our Medicare Program be improved. We realize that everything improved means an increase in the cost of such programs. We believe that the Federal Government should share the cost of the Medicare and Social Security Programs through its general tax structure. We strongly oppose any suggested increase to the individual aged as it affects the voluntary medicare insurance program.

Be it resolved that a copy of this resolution be submitted to the Wisconsin U.S. Senators and Congressmen and the U.S. Department of Health, Education, and Welfare.

NATIONAL COUNCIL OF SENIOR CITIZENS

The National Council of Senior Citizens, Washington, D.C., with whom the Allied Council of Senior Citizens of Wisconsin Inc. is an affiliate has done an outstanding job for all the aged in the United States. It is recognized throughout the nation as the organization which has done more than any other in keeping the people of the nation aware of the need of increasing social security and the Medicare Program.

We commend and praise its untiring work and urge all to encourage and support it so that it may continue to bring more bene-

fits and happiness to the aged of the United States of America.

We urge that they extend their efforts also toward government agencies supporting realistic programs to meet the needs of the aged instead of wasteful expenditures on research.

FREEZE ON PROPERTY TAX AT TIME OF RETIREMENT

Whereas the income of the aged is fixed upon retirement; now therefore,

Be it resolved that the Wisconsin Legislature enact legislation freezing the property tax under homestead of those property owners who have reached the age of retirement.

Be it further resolved that a copy of this resolution be sent to the members of the Wisconsin Legislature.

RESOLUTION

Whereas many Senior Citizens of the State of Wisconsin have to rely, unfortunately, not only on Social Security but also on Public Welfare to increase their income so as to house, feed and clothe themselves and their loved ones because of low earnings during productive years; and

Whereas this segment of the Senior Citizens are being denied their just portion of benefits derived from Social Security because of an archaic statute on the law books of the State of Wisconsin which, in effect, reduces the welfare benefits of the recipients when an increase in Social Security is granted so as not to exceed a set figure established by the State of Wisconsin which is no longer realistic in view of the increased cost of living; and

Whereas there is at present legislation pending in both houses of the State Legislature to overcome this inequity and to allow this segment of the Senior Citizens community to retain those increases granted under the Federal Social Security Act.

Now, therefore be it resolved that the Allied Council of Senior Citizens of Wisconsin in Convention November 13, 1967 do hereby urge with all its strength the Legislature of the State of Wisconsin to support with all their skill and abilities this legislation to overcome the afore mentioned inequities.

Be it further resolved that copies of this resolution be sent to all the legislators and the Executive branch of the State of Wisconsin.

RESOLUTION ON PROBATE

Whereas the laws regarding probating of estates in Wisconsin are in need of drastic revision; and

Whereas excessive fees charged in probate are particularly hurtful to older and retired couples; therefore, be it

Resolved that the Wisconsin State Legislature be urged to make the following amendments in state probate law:

1. Small estates, particularly those in joint tenancy, be exempted from going through probate. A reasonable limit of some figure such as \$60,000 could apply to exemptions.
2. Exempt the homestead completely when it is left to one of a surviving couple.
3. Allow other qualified personnel to handle probate matters than the attorney.
4. Prohibit set fees by the Wisconsin Bar Association in handling probate allowing an attorney to work out mutually satisfactory arrangements with his client.

Be it further resolved that copies of this resolution be sent to appropriate members of our State Legislature and be given as great publicity as possible.

STATE COMMISSION ON AGING

The Allied Council of Senior Citizens of Wisconsin, Inc., goes on record urging the Governor and our State Legislature to reinstate the Wisconsin State Commission on

Aging. We believe that a Commission on Aging should be a free and independent agency of the government, devoted to the welfare and concern of the aged.

We further recommend that the now existing State Council on Aging be authorized by the legislature to seek to strengthen its agency so it can best serve the interests of the aged and the people in the State of Wisconsin, by urging communities to set up similar commissions on aging to coordinate its activities with those of the State.

Be it further resolved that a copy of this resolution be submitted to the members of the Wisconsin State Legislature and to the State Council for Aging.

RESOLUTION RE: UNFAIR AND UNJUSTIFIED PRACTICE BY INSURANCE COMPANIES OF PREMIUMS HELD BY SENIOR CITIZENS

A resolution on the above matter has been introduced by Trustee John Polakowski, Past Pres., Southside Senior Citizens Unit No. 1.

The resolution Committee wishes to point out that the Allied Council of Senior Citizens of Wisconsin has taken a firm position against cancellation and discriminatory cost of premiums to Senior Citizens because of age. Your committee on legislation has appeared before the State Legislature and demanded that legislation be enacted whereby any citizen, regardless of age, who receives a driver's license may not be denied liability automobile insurance nor be discriminated against because of age.

We urge close attention to this particular problem and ask that Congress, as well as the State, continue investigation of unfair practices by insurance companies against policyholders solely because of age and, if necessary, legislation be introduced to prevent discriminatory practices.

RESOLUTION

Whereas there is presently legislation pending in the Wisconsin Legislature relating to changing the Sales Tax by increasing it;

And whereas this is the most regressive tax that can be levied on Society and by its own method taxes those least able to pay such as Senior Citizens and those living on a fixed income;

And whereas there are many areas of taxation that have not been tapped as yet;

Now therefore be it resolved that the Allied Council of Senior Citizens of Wisconsin in Convention session November 13, 1967 do hereby oppose with all our vigor possible any and all legislation designed to increase the State of Wisconsin income and/or any of the municipalities within the confines of the State of Wisconsin through a program of increasing or assessing a Sales Tax on the citizens of the State of Wisconsin or any of its municipalities.

Be it further resolved that copies of this resolution be forwarded to all legislators and the Executive Branch of the State of Wisconsin.

POSTAL RATES AND FEDERAL SALARIES

Mr. MONRONEY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7977.

The PRESIDING OFFICER. The Chair lays before the Senate the message from the House of Representatives, which the clerk will state.

The legislative clerk read as follows:

That the House recede from its disagreement to the amendment of the Senate to H.R. 7977 and agree to the same with an amendment as follows: In lieu of the matter

proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Postal Revenue and Federal Salary Act of 1967'.

"TITLE I—POSTAL RATES

"FIRST-CLASS MAIL

"SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece

weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery.

"(b) Section 4251 (a) of title 39, United States Code, is amended by striking out 'and (4)' and inserting in lieu thereof '(4) bills and statements of account, and (5)'.

"(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

"(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"'4252. Weight limit.'

and inserting in lieu thereof—

"'4252. Size and weight limits.'

"AIRMAIL

"SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents.

"(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

"(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs.	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.73	3.02	3.39	3.71	4.08

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3	\$0.48
Zone 4	.50
Zone 5	.56
Zone 6	.64
Zone 7	.72
Zone 8	.80

"(2) by deleting paragraph (2); and

"(3) by striking out in paragraph (5), subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (i) in an overseas area designated by the President under section 4169 of this title or (ii) in an isolated, hardship, or combat support area overseas, or where adequate surface transportation is not available; and

"(C) parcels of any class of mail exceeding five pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

"(c) Section 4303(f) of title 39, United

States Code, is amended by striking out 'the Virgin Islands or the Canal Zone' wherever appearing therein and inserting in lieu thereof 'or the Virgin Islands.'

"(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word 'eight' and inserting in lieu thereof the figure '7'.

"SECOND-CLASS MAIL PREFERRED RATES

"SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

"(1) by striking out subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound	1.3	1.4	1.5
Minimum charge per piece	.2	.2	.2

"(2) by adding at the end thereof the following:

"(d) (1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

" [In cents]

	" During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.35	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

"(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

"(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philan-

thropic, agricultural, labor, veterans', fraternal, and associations of rural electric co-operatives, program announcements or guides published by an educational radio or television agency of a State or political subdivision there or by a nonprofit educational radio or television station, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title; and

"(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred."

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"'4358. Postage rates within county of publication.'

and inserting in lieu thereof—

"'4358. Rates of postage; preferred.'

"SECOND-CLASS MAIL REGULAR RATES

"Sec. 104. (a) Section 4359 of title 39, United States Code, is amended—

"(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

" [In cents]

	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section

406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, but the total of such charges and the lawfully required postage shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means, the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title; and

"(2) by amending the section heading to read as follows:

"'§ 4359. Rates of postage; regular'.

"(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"'4359. Postage rates beyond county of publication.'

and inserting in lieu thereof—

"'4359. Rates of postage; regular'.

"(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out 'bills'.

"(d) Section 4369(a) (4) of title 39, United States Code, is amended by striking out: 'Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General'.

"SECOND-CLASS TRANSIENT MAIL

"Sec. 105. Section 4362 of title 39, United States Code, is amended by striking out 'four cents' and inserting in lieu thereof '5 cents'.

"CONTROLLED CIRCULATION PUBLICATIONS

"Sec. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"'§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

" [In cents]

	" Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec 31 1969
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8'

"THIRD-CLASS MAIL

"Sec. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing"	Rates		Unit
	Mailed during calendar year 1968	Mailed after June 30, 1969	
(1) Individual piece.....	Cents 6.0 2.0	Cents 6.0 2.0	First 2 ounces or fraction thereof. Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

"After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first two hundred and fifty thousand pieces mailed during a year. For such purpose, the number of pieces mailed during a year shall be the aggregate of the pieces mailed under item (2) (A), (B), and (C) of the above table.

"(b) Matter mailed in bulk under subsection (e) by qualified nonprofit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided in the table under subsection (a), rounded off to the nearest one-tenth cent."

"(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

"SPECIAL RATE FOURTH-CLASS MAIL"

"SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

"(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;"

"(2) by striking out in subsection (b) (1) '4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof' and inserting in lieu thereof '5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof'";

"(3) by inserting in subsection (b) (1) (B) 'museums and herbaria,' immediately following 'public libraries,';

"(4) in subsection (b) (2) by striking out 'and' at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof '; and'; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria;"

"(5) by inserting in subsection (c) 'or narrower width' immediately following '16-millimeter,' and 'museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to

inform and to further the educational work and interests of museums and herbaria,' immediately following 'sound recordings,'; and

"(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

"(b) Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting 'playscripts and' immediately following '(6)'."

"(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates'."

"(d) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films."

and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates'."

"KEYS AND OTHER SMALL ARTICLES"

"SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out '6 cents for each two ounces or fraction thereof' and inserting in lieu thereof '14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof.'"

"SPECIAL HANDLING SERVICE"

"SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

"SEPARATION BY MAILER OF SECOND-CLASS MAIL"

"SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by matter or second-class mail

"The Postmaster General may require publishers and news agents to separate, make up, and address second-class matter in such manner as he directs in accordance with a 5-digit ZIP code system."

"PRINTING ON SECOND-CLASS COVERS"

"SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers."

"ADDITIONAL ENTRY POINTS"

"SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry."

"MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS"

"SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a)(1) of this title, in raised characters or sight-saving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words "Free Matter for the Blind or Handicapped", or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

"(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

"(c) Section 4451(d) of title 39, United States Code, is repealed.

"PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL"

"SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

"(1) by striking out 'and' at the end of clause (9);

"(2) by striking out the period at the end of clause (10) and inserting in lieu thereof 'and'; and

"(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

"REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE"

"SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.

"(a) For the purposes of sections 4169(a), 4303(d) (5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections."

"(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

Immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations."

"PARCEL AIRLIFT"

"SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices.

"Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers."

"(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

"4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices."

"SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT"

"SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: "This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer."; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

"(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

"EFFECTIVE DATE"

"SEC. 119. This title shall become effective on January 7, 1968.

"CONFORMING AMENDMENTS"

"SEC. 120. (a) (1) Subparagraph (A) of section 2303(a) (1) of title 39, United States Code, is repealed.

"(2) Subparagraph (D) of such section is amended to read as follows:

"(D) free postage on reading matter and other articles for the blind and other handi-

capped persons as provided by sections 4653 and 4654 of this title;".

"(3) Subparagraph (I) is amended by striking out 'educational'.

"(b) Section 4552(c) of such title is amended—

"(1) by inserting 'and' after the semicolon at the end of paragraph (4);

"(2) by striking out 'and' at the end of paragraph (5) and inserting in lieu thereof a period; and

"(3) by striking out paragraph (6).

"EDUCATIONAL TELEVISION"

"SEC. 121. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word 'or', and by adding after item (10) the following new item:

"(11) program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

"UNDELIVERED FIRST CLASS MAIL"

"SEC. 122. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows:

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for the nondelivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

"TITLE II—FEDERAL SALARY INCREASES"**"SHORT TITLE"**

"SEC. 201. This title may be cited as the 'Federal Salary Act of 1967'."

"EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE"

"SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows:

"GENERAL SCHEDULE"

Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1.....	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2.....	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3.....	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5.....	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6.....	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7.....	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8.....	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9.....	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10.....	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11.....	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12.....	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14.....	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15.....	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16.....	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17.....	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18.....	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

"(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic pay immediately prior to the effective

date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

"(4) If the officer or employee, immediately

[illegible]

"POSTAL FIELD SERVICE SCHEDULE II

" [To be effective on the first day of the first pay period beginning on or after July 1, 1968]

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1.....	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2.....	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3.....	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4.....	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5.....	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6.....	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7.....	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8.....	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	-----
9.....	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249	-----	-----
10.....	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091	-----	-----
11.....	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124	-----	-----
12.....	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423	-----	-----
13.....	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839	-----	-----
14.....	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455	-----	-----
15.....	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161	-----	-----
16.....	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036	-----	-----
17.....	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187	-----	-----
18.....	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572	-----	-----
19.....	20,625	21,310	21,995	22,680	23,365	24,050	24,735	25,420	26,105	26,790	-----	-----
20.....	22,848	23,610	24,372	25,134	25,896	26,658	27,420	27,800	-----	-----	-----	-----
21.....	25,333	26,179	27,025	27,871	27,900	-----	-----	-----	-----	-----	-----	-----

"(b) Section 3543(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic com-

pensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be "RCS". Compensation

shall be paid to rural carriers in accordance with such schedules.

"RURAL CARRIER SCHEDULE I

" [To be effective for the period beginning on the 1st day of the 1st pay period beginning on or after Oct. 1, 1967, and ending immediately before the effective date of Rural Carrier Schedule II set forth below]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,531	\$2,658	\$2,785	\$2,912	\$3,039	\$3,166	\$3,293	\$3,420	\$3,547	\$3,674	\$3,801	\$3,928
For each mile up to 30 miles of route.....	94	96	98	100	102	104	106	108	110	112	114	116
For each mile of route over 30....	25	25	25	25	25	25	25	25	25	25	25	25

"RURAL CARRIER SCHEDULE II

" [To be effective on the 1st day of the 1st pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30....	25	25	25	25	25	25	25	25	25	25	25	25

"(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmatster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

"(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

"(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule im-

mediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

"(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

"(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

"(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

"(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

"(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

"(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

"(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

"(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

"(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

"3544. Fourth Class Office Schedule."

and inserting in lieu thereof—

"3544. Compensation of postmasters at fourth-class offices."

"CONFORMING AMENDMENTS"

"SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out '(3) revenue unit category, with respect to the Fourth Class Office Schedule.' and inserting in lieu thereof '(3) minimum hours of service with respect to postmasters in fourth-class post offices.'"

"(b) Section 3560(f) of title 39, United States Code, is amended by striking out '(1) reductions in class or revenue unit category of any post office, or' and inserting in lieu thereof '(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or'."

"(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out 'level PFS-10' and 'level PFS-11' wherever appearing therein, and inserting in lieu thereof 'level PFS-11' and 'level PFS-12', respectively. Subsection (g) of section 3573 is amended by striking out 'PFS-17' and inserting 'PFS-18'."

"(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out 'level PFS-15' and inserting in lieu thereof 'level PFS-16'."

"(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

"SPECIAL SALARY RATE RANGES"

"SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out 'seventh pay rate' and inserting in lieu thereof 'maximum pay rate'."

"(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially

adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

"EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION"

"SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales"

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule"

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"Physician and Dentist Schedule"

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Class 1.....	\$24,944	\$25,776	\$27,055	\$22,308	\$22,984	\$23,660	\$24,336
Class 2.....	20,280	20,956	21,632	18,278	18,832	19,386	19,940
Class 3.....	16,616	17,170	17,724	14,857	15,307	15,757	16,207
Class 4.....	13,507	13,957	14,407	12,233	12,604	12,975	13,346
Class 5.....	11,120	11,491	11,862	10,194	10,503	10,812	11,121
Class 6.....	9,267	9,576	9,885	8,596	8,856	9,116	9,376
Class 7.....	7,816	8,076	8,336	7,409	7,634	7,859	8,084
Class 8.....	6,734	6,959	7,184				

"(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: 'The

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule"

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

"FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES"

"SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: 'The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

per annum salaries of such staff officers and employees within each class shall be as follows:

"Class 1.....	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2.....	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3.....	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4.....	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5.....	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6.....	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7.....	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8.....	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9.....	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10.....	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489

"(c) Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

"AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE EMPLOYEES"

"SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be prac-

ticable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"SALARY RATES FIXED BY ADMINISTRATIVE ACTION"

"SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

"(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the munic-

pal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

"(c) Nothing contained in this section, shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

"(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

"IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

"SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide shall—

"(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—

"(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

"(B) by 3 per centum, whichever is greater; and

"(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code. Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

"(i) the President pro tempore of the Senate, with respect to the United States Senate;

"(ii) the Speaker of the House of Representatives, with respect to the United States House of Representatives;

"(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

"(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

"(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

"JUDICIAL BRANCH EMPLOYEES

"SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604 (a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

"(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5."

"(e) Section 792(b) of title 28, United States Code, is amended by striking out '\$26,000' and inserting in lieu thereof '\$29,000'.

"LEGISLATIVE BRANCH EMPLOYEES

"SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic

compensation plus additional compensation authorized by law).

"(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

"(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

"(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

"(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

"(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

"(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

"(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term 'officer' does not include a Senator.

"(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is

adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

"(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out '\$180' and inserting in lieu thereof '\$188'.

"(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;

"\$212,440 if such population is 3,000,000 but less than 4,000,000;

"\$223,720 if such population is 4,000,000 but less than 5,000,000;

"\$234,060 if such population is 5,000,000 but less than 7,000,000;

"\$245,340 if such population is 7,000,000 but less than 9,000,000;

"\$258,500 if such population is 9,000,000 but less than 10,000,000;

"\$271,660 if such population is 10,000,000 but less than 11,000,000;

"\$284,820 if such population is 11,000,000 but less than 12,000,000;

"\$297,980 if such population is 12,000,000 but less than 13,000,000;

"\$311,140 if such population is 13,000,000 but less than 15,000,000;

"\$324,300 if such population is 15,000,000 but less than 17,000,000;

"\$338,400 if such population is 17,000,000 or more."

"(l) Section 105 of such Act is amended by striking out '\$1,080', '\$6,120', '\$10,620', '\$10,800', '\$14,220', '\$14,400', '\$15,660', '\$15,840', '\$18,180', '\$22,320', '\$23,400', and '\$24,480', wherever they appear in such section and inserting in lieu thereof '\$1,128', '\$6,392', '\$11,092', '\$11,280', '\$14,852', '\$15,040', '\$16,356', '\$16,544', '\$18,988', '\$23,312', '\$24,440', and '\$25,568', respectively.

"(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading 'SENATE' in the Second Deficiency Appropriation Act, 1948.

"(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out '\$540' and inserting in lieu thereof '\$564'.

"(c)(1) Unless otherwise authorized by States Code, is amended to read as follows:

"(c)(1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if—

"(A) the pay of one or more of the positions is fixed at a single gross per annum rate, and the aggregate gross pay from the positions exceeds \$6,256 a year, or

"(B) the pay of each such position is fixed at a basic rate plus additional compensation authorized by law, and the aggregate basic pay of the positions exceeds \$2,000 a year.

"(2) For the purpose of this subsection 'gross pay' means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter."

"(p) The third paragraph under the heading 'Office of the Architect of the Capitol' and the subheading 'Salaries' in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out '\$7,700' and inserting in lieu thereof '\$8,200'.

"INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

"SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out '\$28,500' and inserting in lieu thereof '\$29,500'.

"(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out '\$27,000' and inserting in lieu thereof '\$28,750'.

"(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out '\$26,000' and inserting in lieu thereof '\$28,000'.

"SALARY INCREASE LIMITATIONS

"SEC. 216. Except as provided in sections 213 (d) and (e), 214, 215, and 219, and subject to the operation of section 225 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate for level V of the Executive Schedule in section 5316 of title 5, United States Code, in effect on or after the first day of the first pay period which begins on or after the date of enactment of this title.

"UNCONTROLLABLE OVERTIME DUTY

"SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out 'not in excess of 15 percent,' and inserting in lieu thereof 'not less than 10 percent nor more than 25 percent,'.

"PAYMENT OF RETROACTIVE COMPENSATION

"SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

"(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

"(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SALARIES OF LEGISLATIVE OFFICIALS

"SEC. 219. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

"(1) in subsection (b), by striking out '\$28,500' and inserting in lieu thereof '\$29,500';

"(2) in subsection (c), by striking out '\$27,000' and inserting in lieu thereof '\$28,750';

"(3) in subsection (d), by striking out '\$25,500' and inserting in lieu thereof '\$27,500'; and

"(4) in subsection (e), by striking out '\$23,500' and inserting in lieu thereof '\$25,000'.

"EFFECTIVE DATES

"SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

"(1) This section and sections 201, 207, 212, 218, 221, 224 (a) and (b), and 225 shall become effective on the date of enactment of this title.

"(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

"(3) Sections 213 (d) and (e), 214 (j), (k),

"(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

"(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

"(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

"(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d), and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment; and

"(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

"EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS"

"SEC. 221. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§3110. Employment of relatives; restrictions

"(a) For the purpose of this section—

"(1) "agency" means—

"(A) an Executive agency;

"(B) an office, agency, or other establishment in the legislative branch;

"(C) an office, agency, or other establishment in the judicial branch; and

"(D) the government of the District of Columbia;

"(2) "public official" means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, advancement, in connection with employment in an agency; and

"(3) "relative" means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

"(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

"(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

"(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

"(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible."

"(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

"3110. Employment of relatives; restrictions."

"(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

"TRAVEL STATUS"

"SEC. 222. (a) Section 5542(b)(2)(B) of title 5, United States Code, is amended to read as follows:

"(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"(c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

"(1) by adding at the end thereof the following new section:

"§ 5733. Expeditious travel

"The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel; and

"(2) by inserting after item 5732 in the analysis of usch subchapter the following new item:

"5733. Expeditious travel."

"(d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: "Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively."

"APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES"

"SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 5345. Position classification appeals.

"On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

"(2) decide whether the position has been properly classified; and

"(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position. The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials."

"(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

"5345. Position classification appeals."

"MISCELLANEOUS PROVISIONS"

"SEC. 224. (a) Section 4101(2)(B) of title 5, United States Code, is amended by striking out 'Coast and Geodetic Survey' and in-

serting in lieu thereof 'Environmental Science Services Administration'.

"(b) Section 8339(e)(2) of title 5, United States Code, is amended to read as follows:

"(2) the greater of—

"(A) the final basic pay of the Member; or

"(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b)(1) of this title."

"(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out '\$65,000' and inserting in lieu thereof '\$80,000', and by striking out the fourth sentence therein and inserting in lieu thereof the following: "That annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code."

"COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES"

"SEC. 225. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission on Executive, Legislative, and Judicial Salaries (hereinafter referred to as the 'Commission').

"(b) MEMBERSHIP.—

"(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

"(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

"(B) two appointed by the President of the Senate;

"(C) two appointed by the Speaker of the House of Representatives; and

"(D) two appointed by the Chief Justice of the United States.

"(2) The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(3) After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

"(4) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

"(5) Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

"(c) PERSONNEL OF COMMISSION.—

"(1) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods covering all or part of any fiscal year referred to in subsection (b)(2) and (3) of this section—

"(A) the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and

"(B) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.

"(2) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

"(d) **USE OF UNITED STATES MAILS BY COMMISSION.**—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

"(e) **ADMINISTRATIVE SUPPORT SERVICES.**—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

"(f) **FUNCTION.**—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay of—

"(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

"(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

"(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

"(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

Such review by the Commission shall be made for the purpose of determining and providing—

"(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

"(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

"(g) **REPORT BY COMMISSION TO THE PRESIDENT.**—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

"(h) **RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.**—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection,

the term "budget" means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

"(1) **EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.**—

"(1) Except as provided in paragraph (2) of this subsection all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

"(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

"(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

"(C) both.

"(2) Any part of the recommendations of the President may in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect.

"(j) **EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.**—The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

"(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

"(B) any prior recommendations of the President which take effect under this section.

"(k) **PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.**—The recommendations of the President which take effect shall be printed in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

"TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

"Sec. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

"§ 4009. Prohibition of pandering advertisements in the mails

"(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

"(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

"(c) The order of the Postmaster General shall expressly prohibit the sender and his

agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

"(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested, thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

"(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

"(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

"(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have not attained their nineteenth birthday, and who reside with the addressee.

"(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

"(i) For the purposes of this section—

"(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General's order; and

"(2) the term "children" includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.

"(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

"4009. Prohibition of pandering advertisements in the mails."

"Sec. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act.

"TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

"Sec. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows:

"(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the fol-

lowing schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title:

"If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000

"Sec. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8707. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

"Sec. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half of the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

"Sec. 404. Chapter 87 of title 5, United States Code, is amended—

"(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709–8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

"(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.

"(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

"(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate.

"(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title; and

"(2) by inserting in the analysis of such chapter the following new item after item 8714:

"8714a. Optional insurance."

"Sec. 405. (a) The amendments made by sections 401 to 403, inclusive, of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period.

"(b) (1) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment, or on any earlier date that the Civil Service Commission may prescribe, which is at least sixty days after the date of enactment. In the case of an employee who dies during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires

during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

"(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement, the period during which such optional insurance was available to such employee shall not be considered to have commenced prior to the expiration of sixty days following such effective date.

"(c) The amendments made by sections 401 to 404, inclusive, of this Act shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment."

Mr. MONRONEY. Mr. President, the parliamentary situation today is that a point of order was raised in the House of Representatives yesterday to the conference report on this bill. The point was sustained, the conference report was, therefore, rejected by the House, and the House then proceeded to the consideration of the Senate amendment to H.R. 7977. The House thereafter adopted the Senate amendment with a further amendment which, as a matter of fact, is identical to the bill agreed upon by the Senate and House conferees with two unimportant technical changes to which the Senate conferees do not object.

I say this so that my colleagues will know that we are not considering the conference report as such, but we are considering the text of the conference report in the form of an amendment to the Senate amendment to the House bill.

Mr. President, I wish to thank the splendid members of the conference on both sides of the aisle for their faithful, complete, and total attendance: The distinguished Senator from Kansas [Mr. CARLSON], the senior Senator from Hawaii [Mr. FONG], the senior Senator from West Virginia [Mr. RANDOLPH], and the senior Senator from Texas [Mr. YARBOROUGH]. Their support of the Senate bill was amazingly strong and by that we won a major victory in the compromises that finally made this bill possible.

I strongly support the agreement which your conferees reached with Members of the House last week. There were vast differences in a bill involving changes of rates of much of the mail and hundreds of mail users who had special interests they were seeking to protect. It is the best postal rate and Federal pay bill I have seen in 29 years as a Member of Congress. It produces almost twice as much revenue as the postal rate increase in 1962. The increase in first-class and air mail will raise \$567 million. The increase in second-class mail will raise \$26 million. The rate increase in third-class mail will produce about \$250 million—a quarter of a billion dollars additional revenue from all third-class mail which will increase cost coverage for this class of mail to 75 percent.

This difference is made up in part by raising the rate to 3.6 cents on January 7, 1968, and to 4 cents on July 1, 1969. This will give the users of third-class

mail the opportunity to adjust to two of the most spectacular and important rate increases for this heretofore heavily subsidized class of mail.

This 75-percent cost coverage must be considered in the light of the ZIP code and presort requirements imposed on third class that has resulted in the elimination of one dozen operations in the post office so that the mail gets down to the carrier and does not have to be worked on by hundreds of thousands of clerks.

Mr. President, I think we can say that we won a major victory over the so-called junk mail, one group of which I think has set a new low in lobbying tactics during the consideration of the bill and even up until final action on the conference report.

And finally, the increase on fourth-class book rates will produce \$12 million. The total additional revenue will be about \$900 million, which is \$75 million more than the Postmaster General requested in his message to Congress early this year. It provides a reasonable and responsible means of achieving pay comparability for our 3 million Federal employees.

We promised comparability in 1962. This is the first long-range step toward achieving comparability in 1969.

It provides an effective means for stopping obscene mail. The provision came from the House. It is based on the right of privacy under the fourth amendment. It would give anyone the right to object if he considers the mail to be pornographic and the right to ask that no more mail from that mailing list to be sent to his door.

In addition, the bill includes one of the greatest provisions that has gone unrecognized, which is an extension of long overdue improvement in the life insurance program to give postal employees or civil service employees adequate coverage for his dependents if he is killed in the early stages of his service.

I think that as time passes this will prove to be the greatest forward step accomplished for the security of these men and in the long run will mean more than the 4.5 percent for civil service workers and 6 percent for postal workers.

The significant difference between the conference agreement and the Senate bill which we passed on November 29 is that the Senate receded on the pound rate for controlled circulation from our figure of 16 cents to the House figure of 15 cents. This resulted in a loss of \$1.5 million. The House figure was supported by the Post Office Department.

Second, the increase on third-class mail in the Senate bill was 3.6 cents effective January 7, 1968, and 4.0 cents effective January 1, 1969. I am sure I need not tell my colleagues how deeply controversial this issue has been. It was the most critical issue in conference. After 4 days' lengthy and heated discussion, the members of the conference agreed upon a rate increase of 3.6 cents effective January 7, 1968, and 4.0 cents effective July 1, 1969. In addition, the conference approved a provision setting 3.8 cents as the bulk rate for the first 250,000 pieces of

third-class mail. This will continue as the rate. I proposed this in an effort to reach agreement when it seemed we would break up in disagreement and have no bill. It will be of great benefit to the very small third-class mail user, the true small businessman in the little towns all over America who uses third-class as an advertising medium. It will also benefit the large mail user, but in no case will it mean more than a savings of \$500 a year to any mailer, no matter how large he might be. To the small businessman \$500 is a very beneficial relief clause. To the 13 bulk mail permit holders who this year have mailed 7 billion pieces of direct mail, it is meaningless.

Since this bill was introduced, I have heard many, many people plead for the small grocer, the small retailer, and the country store owner who rely upon direct mail advertising. This provision permitting the first 250,000 pieces of third-class mail per year to go at 3.8 cents is aimed directly at that small businessman. The rest of the mail users, the great American industries, which mail out millions upon millions of advertising and other third-class letters every year will pay 4 cents.

The Senate also receded on the Advisory Commission on Federal Executive Salaries.

I know that this is a matter of great importance to Members of the Senate. I think that I can speak on this subject with full understanding of the position of most Members of this body. I have opposed every proposal in the past which would delegate to anyone the authority to establish salaries for Federal executives, judges, and Members of Congress. My colleagues on the Committee on Post Office and Civil Service removed this provision from the bill because we were unanimously opposed to it. The language of our committee report on H.R. 7977 is quite expressive of our opposition. But in conference we reluctantly, and only after long and thoughtful consideration, agreed to approve this proposal in order to get a bill, because of the impasse which existed because the House insisted on a lower rate. We insisted on the higher rate and on that portion of the bill pertaining to the special Presidential Commission, which we did not wish and would not take.

The House conferees were deeply committed to its enactment. The leaders of the House who favored this provision had won on a rollcall vote on an issue which for Members of the House is very, very difficult—that of raising their own pay when they have to run for office every 2 years. The administration very strongly supported this provision. John Macy, Chairman of the Civil Service Commission, talked to me and to other Senators at great length urging its favorable consideration.

This is keeping in mind the fine amendment offered on the floor to the Reorganization Act, which we brought before the Senate, which was passed with only seven votes against it. I refer to the amendment of the Senator from Virginia [Mr. Byrd]. The amendment provided that on any matter affecting an increase in the emoluments and pay of

Members of the Senate and House, we would be forced to have a rollcall vote so that they could not obscure under various parliamentary hanky-panky the fact that we voted on something that benefited us.

Keeping in mind this amendment, we insisted on an amendment to the Presidential Commission, under which we would have a right to vote on, separately, the differences between legislative, executive, and judicial, so that we would not have to take the whole package. One Member can move to veto the recommendation, and we can have a full and complete discussion on that in the light of day, before the press and before the world, so that they will know what we are doing, and then have a rollcall vote on final passage.

So, there was this amendment that made it more palatable to the Senate conferees, and I hope to Members of the Senate. We had to meet one of the prime objections, that people would not know how we voted on each measure that would increase the pay of Members of the House and Senate, by providing a means for voting separately on the executive department, sub-Cabinet, and Cabinet officers, and a large part of the judiciary. We can have a separate vote and then could accept two of them and refuse one. This was corrected in that. Another way, we provided that we would in no case, as the House bill provided, permit the Commission to consider telephone calls, telegraph allowances, postage or air mail allowances, and other allowances of Members of Congress for the operations of their office. This was stricken out, and the Commission can deal only with salaries of Members of the House and Senate.

Mr. BYRD of Virginia. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I am happy to yield to the Senator from Virginia, deeply appreciating his amendment. I feel that we are retaining a very important part that we put in the Reorganization Act so that there will be no loopholes through which Members could escape responsibility and accountability for their salary status.

Mr. BYRD of Virginia. I thank the distinguished Senator from Oklahoma. I realize that he worked extremely hard, as did other members of the Senate conferees, to maintain in the final legislation the provisions which were adopted by the Senate some time ago.

This is a very complex and complicated bill and deals with many subject matters affecting a great many people.

The conferees had a very difficult task in trying to get the mail rate adjustments which are so important so that the mail rate can be adjusted, particularly third-class mailing matter.

The conferees, I feel, did a magnificent job in trying to work that out.

I personally would have preferred that the entire section dealing with the Presidential Commission be eliminated. I think that is probably the view also of the Senate conferees because the Senate committee of which the distinguished Senator from Oklahoma is chairman, eliminated the House proposal for a Pres-

idential Commission to recommend salaries for Members of Congress, members of the Judiciary and members of the Cabinet. That is, as I see it, a responsibility of Congress and should not be delegated to any commission.

Now may I ask the Senator from Oklahoma a few questions in regard to this subject?

Mr. MONRONEY. I shall be very happy to try to answer them.

Mr. BYRD of Virginia. On page 32 of the conference report it states that the President shall include in the budget next transmitted by him to the Congress his recommendations with respect to rates of pay for the Judiciary, Members of Congress, and Cabinet officials. His recommendation could be the recommendation of the Commission, or it could be another recommendation, as I read the report; is that not correct?

Mr. MONRONEY. That is correct; but there would be little likelihood of a President doing that because of the veto rights by a mere majority vote of Members of the Senate and Members of the House. So a majority vote in either House would veto it, as in the original reorganization program.

Thus, a wise President—and all our Presidents have been wise, in varying and different degrees, of course, and I respect the wisdom of our present President very much in that regard—would certainly not appoint a commission and then, after their long study of the equities and the comparability for a legislative, judicial, and executive pay bill, deviate from that. But if one President should, Congress still holds the power, by majority vote, to nullify any such recommendation.

Mr. BYRD of Virginia. As I read the next section of the report, the President's recommendations, whatever they are, become effective within 30 days unless Congress acts to the contrary. Is that correct?

Mr. MONRONEY. That is correct.

Mr. BYRD of Virginia. So if the parliamentary situation were such that either the House or the Senate could not bring the matter to a vote, the new salaries would then become effective without a vote.

Mr. MONRONEY. I believe I am correct in saying that we followed the pattern of the Reorganization Act. This has worked perfectly. We were trying, as nearly as possible, to stay in line with the provisions of the Reorganization Act.

Mr. BYRD of Virginia. I am merely trying to get an understanding, however, as to how this arrangement would work.

Mr. MONRONEY. It would be a commission of distinguished and outstanding persons of the business, the industrial, and the academic worlds. They would study the proposal carefully and consider it objectively, because they would not be concerned with anything that might be self-rewarding. They would then report their findings to the President, who would submit his proposals to Congress.

I read from page 32 of the conference report I read from section 225 (h) and (i):

(h) RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.—The President shall include, in the budget next transmitted by him to the Congress after the date of the

submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term "budget" means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

(i) EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.—

(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

(C) both.

(2) Any part of the recommendations of the President may in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect.

I think that language nails down the intent. The language was supplied by Senate counsel, some of the finest legal draftsmen that I think we have. I believe it effectively sets forth the responsibility and the requirement that Members of both Houses shall go on record, because we can be certain that some Member of either body will challenge and move to veto the recommendation if he disapproves, and a yea-and-nay vote can be had in the customary constitutional manner.

Mr. BYRD of Virginia. But if it is not possible, because of pending legislation or because of a parliamentary situation, to call up the matter within 30 days, the increases will become effective regardless, as I understand.

Mr. MONRONEY. All that would be needed then would be a simple resolution, if it were a pay raise bill that Congress had passed, to extend the time for a longer period. It is hard for me to conceive that anyone, even one most dedicated to the gentle art of filibustering in the Senate, would filibuster for 30 days to prevent the consideration of a pay increase, of which he would be a beneficiary, which another high-level body had recommended.

Mr. BYRD of Virginia. The Senator from Oklahoma is looking at it from the opposite point of view from that of the Senator from Virginia.

Mr. MONRONEY. I am a practical man, and I believe that in matters of the greatest interest to Members of the Senate we would find a way, even if we had to have night sessions, to bring up for consideration even a pay increase that amounted to only 1 percent.

Mr. BYRD of Virginia. The Senator from Virginia is not looking for a pay increase for Members of Congress.

The Senator from Virginia is only trying to understand if, and under what conditions, the Senate would have an opportunity to vote before a pay increase were put into effect. As I understand it, this would have to be done within 30 days; otherwise the pay increase would go into effect without Members of Congress having an opportunity to vote on it on a yea-and-nay vote.

Mr. MONRONEY. It is inconceivable to me that we would have such a situation. I was in the House when we voted on retirement benefits for Members of Congress. I remember the "bundles for Congress" that came in. This was during the "bundles for Britain" days.

I think, of all the people sensitive to anything affecting emoluments and privileges of Members of Congress, the public is the greatest judge of all, and I know the Senate would not take the extreme method of filibustering this through. We would have a march on Washington, not by the peaceniks and beatniks and hippies; it would be by the respectable people who form the great body politic of our country.

Mr. BYRD of Virginia. The Senator from Oklahoma and the Senator from Virginia have basically the same view of this matter.

I am not being critical of the Senator from Oklahoma or of any member of the committee. I prefaced my remarks by saying I know all the members of the conference under the leadership of the distinguished Senator from Oklahoma did what they could to protect the Senate's position and to have this particular commission knocked out, because it was not part of the proposal that the Senate approved.

Mr. MONRONEY. May I say that from the first day until the last day, and almost every hour on the hour, the conferees on the House side tried to keep the junk mail rate at the lower rate. The House provided 3.6 cents. They also insisted on the House passed version of the Presidential Commission. We were just as adamant. In fact, as those matters were taken up and as we saw the quarreling and the snarls, I was reminded of the old law of physics that the Senator and I learned in our universities—that when an irresistible force meets an immovable object, something has to give. Up to the last 5 minutes I can say advisedly that the House position was unanimous for the junk mail rate they had put in and the Senate position was unanimous in having this commission taken out. We got to such a trading point on the junk mail that to get a bill or not rested on whether we had to lower junk mail rates slightly on the first 250,000 pieces mailed. The House conferees gave in on that and they gave in on the striking out the objectionable language that we thought was not proper and that would force us to vote for the whole package. We would be forced to vote for the legislative, executive, and judicial and then be in a position of being told by the executive department that they are losing their best men. We had to pass it as regards judges, because, we are told, no man would accept a judicial position when he is making twice as much in the private practice of law.

So we could have been in the position, if it had not been separated, of saying that this was forced on us because we had to take the whole package. That did not happen. The Senate had adopted the amendment of the Senator from Virginia, which went into the Reorganization Act, although it has not passed the House yet. This is why we insisted that it be separated and voted on individually.

Mr. BYRD of Virginia. I thank the Senator. I think he did the right thing. The compromise he had to make, was one that was forced on us. I think he greatly improved the aspects of the Presidential Commission by severing the various officials involved.

I intend to support the conference report. I think the conferees worked long and hard and have done the very best they could under the conditions existing.

I am jealous of the prerogatives of the Congress. I would hate to see any President, no matter who he is, have the prerogative of setting the salaries of Members of Congress.

I think that would tend to give him additional power over individual Members of Congress, which I do not like. I also like the idea of Members of Congress going on record, which, as the Senator has pointed out, can, under certain conditions, be done with this legislation. I intend to support the conference report.

I thank the Senator from Oklahoma for his hard work. I shall support the conference report—although I am strictly opposed to one section of this complex legislation; namely, the Presidential Commission idea.

Mr. MONRONEY. I am deeply indebted to the Senator from Virginia for helping to clarify, by his cogent and well-thought out inquiry, why this was done. The conference committee was within 5 minutes of a breakup, of picking up our papers and walking out, and there would have been no pay increase for the 3 million Federal workers, including members of our own staffs, and for the widows and orphans of those who die between Christmas and 2 months later, when we might resume the conference. It was the only way, as I said before; it was the only way to give when an irresistible force was colliding with an immovable object.

Mr. BYRD of Virginia. I thank the Senator.

Mr. MONRONEY. Finally, Mr. President, in all candor, I must say that without its approval I do not believe the conferees would have been able to reach agreement. I believe the Senate has done very well in this conference. On almost all important issues, after lengthy discussion with the House, our position has prevailed. But to get a bill this year, I felt under the strongest compulsion to accept the Advisory Commission plan.

We have not delegated congressional authority, but we have authorized a program which may work. The recommendations of the President on executive and congressional salaries will be subject to review by both Houses, and if we are not in agreement, a simple resolution of disapproval of all or even a part of the President's recommendations can be adopted. In addition, the conferees struck out a provision that was completely unacceptable to the Senate, and

that is that the President's recommendations shall not have any effect upon allowances or any other aspect of a Member's office, staff, or other personal allowances.

So, I urge that the Senate accept this amendment and give the Commission a chance. I have been wrong, we all have been wrong, from time to time and it may be that the Commission plan will work. If it does not, I know as surely as I know anything, that Congress will remedy the situation.

The Senate conferees receded on the amendment by the distinguished senior Senator from Delaware regarding stationery allowances. I regretted very much that we had to do this. I personally favor the proposal. It does not really affect me because I have always refunded any unused portion, and with the number of inquiries received and the volume of mail increasing, I have found that the refunds become less and less, almost to the point of insignificance. I have voted for it on occasions in the past. But it was not acceptable to the House under any circumstances and the members of the conference on the part of the House would not consider it as a negotiable item. It had to come out or we would still be sitting there. And the hour has grown late. As a member of the Appropriations Committee, I pledge the Senator my best efforts to resolve this proposal next year.

I ask that the Senate agree to the House amendment to the Senate amendment on H.R. 7977 without further amendment; that we pass the bill and send it to the President; that we insure additional revenue for our postal service, better postal service for all Americans, and a pay increase for all our fine Federal employees in the postal service and all other agencies, and I hope it will be hanging in their stockings on Christmas morning.

Mr. President, I know a rolcall is requested, but I believe the distinguished senior Senator from Delaware [Mr. WILLIAMS] had something he wanted to say.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, the pending bill will increase the cost of government by over \$2 billion annually at a time when our budget is already out of balance by around \$18 billion.

Furthermore, I object to the conferees' action in eliminating the Senate amendment which would have required any unused portion of our stationery allowance, any part which was not needed to defray the legitimate costs of operating our senatorial offices, to revert to the Federal Treasury.

There can be no justification for allowing Members of Congress to retain any part of this official stationery allowance for their own personal use.

It is ironic to note that while the conferees rejected the stationery amendment

they retained the amendment which gave a \$100,000 retirement windfall to just one man—a former Texas Congressman.

There is one further provision in this conference report to which I strongly object and that is the section which confers upon the President the power to raise judiciary and congressional salaries. This would be accomplished by the President's submitting his proposed salary scale to the Congress with such recommendations automatically becoming law within 30 days unless rejected by Congress.

This is an unwarranted delegation of our responsibility and would give the President a dangerous weapon to exercise control over Congress and the judiciary.

I shall vote against this conference report.

Mr. MONRONEY. I ask for the yeas and nays on the question of agreeing to the conference report.

The yeas and nays were ordered.

Mr. MONRONEY. Mr. President, it is a great and distinct pleasure for me to yield to one of the finest men with whom I have ever had the privilege of serving as a Representative and a Senator. His leadership, ability, integrity, character, and industry are beyond question. He has faithfully served in times past as chairman of this great Committee on Post Office and Civil Service. He sat through all the hearings and participated in every decision. When he lost, he lost with good grace; when he won, he was a quiet and considerate winner. We held differing views, but he supported us in conference, and he contributed greatly to bringing out of this difficult situation and achieving the passage of this bill, in time for the Christmas holidays. I am happy to yield to the distinguished senior Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I appreciate very much the statement made by the distinguished chairman of our Senate Post Office and Civil Service Committee in regard to this conference report. It represents a compromise, as most of these conference reports do, and I shall discuss only briefly the contents of the report. The Senate has some very definite views, and the House conferees also had some very definite views; and after 4 days of meetings and five sessions of the conference, we were finally able to resolve some of those differences and reach the agreement which is now before the Senate with the unanimous approval of the conferees.

I would be less than frank if I did not state that I held views on some of these matters from which I had to recede. I was not happy about this Presidential Commission to recommend executive, judicial, and legislative salaries. I have grave question as to giving this authority to the President, which will come to him in the form of a recommendation from a Commission. The conferees had reached a place where we could not reach an agreement on postal pay and postal rates without accepting that provision. The House conferees were adamant in their views on the Commission proposal and arrived at a point where we had to accept their position or there would be no Federal pay or postal rate increase. Time only will tell if our acceptance of this proposal was in the best interests of

those in the executive, legislative, and judicial branches of the Government.

Second, I was not happy about some of the rates we established in the postal rate section of the bill, but here again, my views did not prevail and I accepted the views of the conferees, and approved the report. It is my view that the Post Office is a public service Department of Federal Government and the raising of revenue should not be its prime objective.

Third, I was greatly pleased with the postal pay sections of the bill. In 1962, I helped write the legislation that provides for comparability of the pay to the postal and classified workers of the Federal Government; and I am proud to state that in this particular case, we are making progress toward comparability. When this 3-year phase is carried out, we will be well on the way; and I sincerely hope that that will result from the action taken by this Congress. I am happy to have participated in that action. I am also pleased with the life insurance section. I believe it represents a great improvement. I not only associated myself with that provision, but did everything I could to secure its approval. I believe these items are greatly in the interests of our Federal employees.

The distinguished chairman of the conference is entitled to much credit. The Senator from Oklahoma rendered outstanding service in the hearings, in executive sessions, and in the conference; and I am proud to have been associated with him and under his leadership in this matter.

Mr. MONRONEY. Mr. President, I thank the Senator.

I yield to the distinguished senior Senator from West Virginia [Mr. RANDOLPH]. In all of the hearings and throughout the long conferences, no man could have fought more diligently nor more actively for the adjustment of pay scales toward comparability for the 3 million Federal employees covered by this bill. No member of the conference supported more strongly the increase in rates for third-class mail to change it from a subsidized service to coming closer to paying for its own weight. No member of the conference was more perceptive in trying to put the greater weight on the bigger horse, considering the services the Post Office is required to render.

It is a great thrill to have men like Senator RANDOLPH on one's committee, firm as the Rock of Gibraltar, when one is fighting for days, trying to resolve wide differences between the two bodies.

I am happy to yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I am very grateful for the gracious words of our knowledgeable and distinguished chairman of the Committee on Post Office and Civil Service. I express my personal and official appreciation to him and to the Senator from Texas [Mr. YARBOROUGH]. The Senator from Oklahoma, the Senator from Texas, and I formed the majority membership of the Senate conferees on the conference committee. Additionally, the splendid contributions which were made by the Senator from Kansas [Mr. CARLSON] and the Senator from Hawaii [Mr. FONG],

who represented the minority in the conference, deserves recognition. The opportunity for understanding, within the Post Office and Civil Service Committee, was not only present during the hearings and the markups within the committee itself, but also in resolving the intricate and controversial problems in conference. The members of the conference I have just mentioned—Senator YARBOROUGH, Senator CARLSON, the former chairman, and Senator FONG, working with Senator MONRONEY, our chairman—consistently reflected the viewpoint of the Senate on this legislation.

I wish to indicate my special interest, this afternoon, in two matters that were of concern to me. The first has to do with the fair rate on third-class bulk mail.

It is my belief that a sufficient amount of time has been provided in the conference agreement so that those persons who use this class of mail in advertising their merchandise and in other ways will have the opportunity to revise and modify their procedures.

I feel that in sustaining the 4-cent rate, we did not fix an arbitrary figure, but that the Senate, by a majority of 37 votes, established a reasonable and fair rate. The amount of money which will accrue on the volume of mail now handled in this category will ultimately be more than \$28,700 annually. Through this action on third-class rates, we have the prevailing sentiment, I think, of both the Senate and the House of Representatives, as reflected in the report presented here today.

In offering the amendment adopted in the Senate legislation, I believe I was being fair to both those who receive this class of mail and to those who send it.

Mr. President, I had a particular interest also in the subject of nepotism in reference to the employment of persons in both the legislative and executive branches. There is a difference of opinion in this subject area as it concerns the right of an individual to have a part in the recommendation, and perhaps in the direct employment, of his or her relatives. This is understandable. There are many examples of Members of Congress who have had members of their families associated with them, and those persons have made significant contributions in legislative branch positions. For such employees in the executive branch of the Government, a like case could be made. However, if we were to deal with the subject of nepotism—and the House decided it would deal with the subject prior to the legislation being considered in the Senate—there was, I think, a very real responsibility to plug any loopholes which might exist. It was critical that the nepotism provisions be applied across the board.

Thus, I offered and advocated the proposal to extend this provision to include the President of the United States. There were those who thought that this would be an affront to the Presidency and perhaps might constitute a form of embarrassment to the Chief Executive. However, I did not see the matter in that light.

Rather, it was my belief that this would be a protection, not only to the President now in office, but also to any

President who might succeed him. The name of the President was not the matter that I considered. It was the office. We could not stop at a certain point in formulating a policy on nepotism. We had to apply the policy across the board.

I am delighted to state in the presence of the members of the conference committee who are now on the floor that during our consideration of this provision and after Senate action I had no contact whatsoever from the White House.

I feel that this is indicative that the White House believes, as does now the Congress, that a nonnepotism policy should apply equally to any branch of Government.

While formulating this provision on nepotism, we sought to protect the so-called veterans' preference which applies to positions within the classified civil service and positions generally in the Federal structure.

As chairman of the Subcommittee on Veterans' Affairs, it was my desire to see that veterans' preference continued. I think that Congress generally and the people of the country believe that the veterans' preference should not be vitiated.

Thus, in connection with the nepotism amendment, we have protected the veterans of the United States of America who have defended this country and its interests in time of crises.

Mr. President, I believe that this legislation on postal rates and Federal salaries to strengthen an agency of the Government and to compensate the faithful employees of the Federal Establishment, is fair and equitable, and should be approved by the Senate.

Mr. MONRONEY. Mr. President, I yield such time as he may require to the distinguished Senator from Hawaii who did so much to help bring about the pay increase and the additional application of the measure, particularly with respect to the many postal and civil service workers, and has been very instrumental in helping us to work out the bill in the committee consideration and has sought to help us over the course of many long hours to shape up an amendment to improve the House version and get the bill reported and effectuate the compromise that is so necessary to get a bill in the form in which it will pass.

Mr. FONG. Mr. President, I thank the distinguished senior Senator from Oklahoma for his very kind and laudatory words. I commend him for a very excellent conference report on a very complicated and complex bill.

The success of the conference was due very largely to the fine leadership and great ability and long patience of the senior Senator from Oklahoma.

I commend also the very distinguished senior Senator from Kansas [Mr. CARLSON] for his great contribution to the conference.

The postal service and the Federal employees have no greater friends than these two distinguished leaders, the distinguished senior Senator from Oklahoma and the distinguished senior Senator from Kansas.

I would be remiss if I did not say that the services of the distinguished senior

Senator from West Virginia [Mr. RANDOLPH] and the services of the distinguished senior Senator from Texas [Mr. YARBOROUGH] were tremendously helpful in achieving agreement in the conference report.

These Senators have been stalwart members of the committee. They have done yeomen's duty in the best interests of the Senate, the thousands of dedicated Federal employees, and the postal service.

Mr. President, I wish to urge my Senate colleagues to approve the conference report on H.R. 7977, the postal rate and Federal salary increase bill.

The bill passed by the Senate 2 weeks ago was an excellent one. I supported it on the floor and supported it as a Senate conferee. However, both the Senate and the House conferees had to compromise on several issues in order to report out a bill before this session of the 90th Congress adjourned.

All conferees were convinced that it was essential that a postal rate and Federal salary increase bill be sent to the President this year. This is why we met every day last week until we reached an agreement on Thursday evening. I believe we have written a bill satisfactory to both Houses. Yesterday, the House passed this measure by an overwhelming margin.

The postal rate increases in this legislation will bring in approximately \$900 million in postal revenues next year. Our Post Office Department needs this additional income to help defray the rising costs of our postal system. Although I personally was not in favor of all of the increases contained in the report, it does bring needed new revenue into the Department.

Another important feature of this measure is the Federal employee salary increase section. This section is landmark legislation. It will increase Federal classified employee salaries by 4.5 percent and postal employee salaries by 6 percent, retroactive to October 1, 1967. Also included in the bill are two future automatic pay increases effective July 1, 1968 and July 1, 1969. These two additional increases will bring Federal classified and postal employees up to comparability with their counterparts in private industry. The Congress overwhelmingly approved the comparability principle in the Federal Salary Reform Act of 1962. However, at no time since then have Federal salaries been comparable to those paid for similar positions in private industry. The three-stage salary increase contained in H.R. 7977 will make comparability a reality in 1969. This will fulfill a promise Congress made to the almost 2 million dedicated Federal employees 7 years ago.

Several times during the Senate-House conference it appeared that the conferees were hopelessly deadlocked and a final conference agreement could not be obtained. A number of compromises were suggested on the issues in disagreement and intensely debated on both sides of the table.

The two biggest issues were: First, the House provision establishing a quadrennial commission on executive, legislative,

and judicial salaries. The Senate had no similar provision in its version of the bill; and second, the Senate provision setting a two-stage rate increase for third-class bulk per piece mail. The rates in the Senate bill were 3.6 cents per piece in 1968 and 4 cents in 1969. The House voted a one-stage 3.8-cent rate effective in 1968 for this type of mail.

Both sides were adamant on their respective positions on these two issues. On Friday, these two items were the only remaining provisions in contention. The conferees recessed several times during the day to cool off from the heated conference discussions. Finally, late Friday afternoon the compromise package presently before us was worked out and agreed to by both sides.

The Senate bulk third-class per piece rates were retained in the bill although the 4-cent rate was put back to July 1, 1969, rather than in January 1969. It was also agreed that, beginning in July 1969, those advertisers who sent less than 250,000 third-class bulk rate pieces of mail annually would only pay 3.8 cents per piece. The 4-cent rate would only apply to mailings over 250,000 pieces.

The other part of the compromise was that the Senate accept a modified version of the salary commission contained in the House bill. The House provisions were changed to limit the Commission's area of inquiry and recommendation only to basic salary rates and not to allowances and expenses.

As worked out, the Commission would make recommendations concerning executive, congressional, and judicial salaries to the President every 4 years. The President in turn would make his recommendations on such pay to the Congress. The Congress could vote to change or vote down the recommendations. If the Congress decided not to vote the recommendations down or to change it the recommended salary rates would become effective 30 days after being submitted to the Congress.

These are the most important matters compromised on in the Senate-House conference. I am convinced the conference report is a good compromise. It broke a deadlock that threatened the entire bill.

I again wish to commend the able leadership of the committee chairman, Senator MONRONEY and the ranking minority member of the Senate Post Office and Civil Service Committee, Mr. CARLSON. Their guidance and leadership has resulted in this excellent conference report, which contains most of the provisions approved by the Senate on November 29.

I strongly urge that the Senate approve this conference report. It will bring much needed additional revenue to our Post Office Department and will also bring the salaries of our Federal classified and postal employees up to comparability with their counterparts in private industry in 1969.

Mr. MONRONEY. Mr. President, I regret that the distinguished senior Senator from Texas is not in the Chamber. His name has been mentioned often, and he was very helpful, indeed, in many of the compromises that we worked out,

both in committee and on the floor. His dedication to the Federal employees in all branches has long been a hallmark of his distinguished career in the Senate. His effort to raise adequate revenue to make possible the operation in the black, or nearly the black, for the new year, and perhaps later, was most effective. His continuous battle for educational materials and the right for them to be carried at a special rate also demonstrated his long standing interest in education and the excellence thereof.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MILLER. Mr. President, one matter in this measure which has not received very much attention, but for which the able chairman and his colleagues deserve high praise, is title III, prohibition of pandering advertisements. This deals with the serious national problem of obscene literature. I hope that this provision will be strongly enforced by the Postmaster General. I believe that its inclusion in this measure is a great step forward.

I should like the chairman to know that those of us who have been working hard in this field to do something about the problem appreciate what he has done.

Mr. MONRONEY. I thank my distinguished colleague, the Senator from Iowa.

The primary enforcement power is with the recipient of pornographic advertisements and material. All he need do is to say that the material is pornographic, in his judgment, and the Postmaster General must act to notify the mailer to take this man's name off that list and to never send any more mail to him.

It is self-enforcing, I believe, because it will avoid the very thorny question of the first amendment, the freedom of speech amendment, with respect to which the Supreme Court has been unable to find a commonly satisfactory definition of what is pornography. Works of art are in question, as opposed to the low-down, lewd, lascivious material, revolting by its very nature, which is sent every day to people's homes.

May I say that the Senator's distinguished colleague, Representative CUNNINGHAM, is the author of this amendment. We kept it intact in the Senate, and I believe it is a great contribution to the bill.

May I also point out that the nepotism provision is as strong as possible. In going through the language that came from the House, we denied the right of Senators and Representatives to employ their wives, but we forgot that the ladies of the House and the Senate would have a right to employ their husbands, under the House-passed language; so we corrected that. We have equal rights for both men and women to be denied as well as to receive privileges in the antinepotism section. The language is as tight as it can be, and the efforts to water it down which were presented in conference—not by the Senate conferees—were defeated by us as one of the resisting points, because it would have allowed waivers by

the Architect of the Capitol, the Speaker of the House, and by the President pro tempore of the Senate, for reasons which he considered sufficient.

Mr. MILLER. As a point of information is my understanding correct that the nepotism section is prospective in operation only?

Mr. MONRONEY. The Senator's understanding is correct. It is what we call a grandfather clause. Many Members have served for years, with their wives as their personal secretaries, sometimes with their sons. They are very capable people.

Mr. MILLER. And that will continue until there is a change in the particular office?

Mr. MONRONEY. That is correct.

Mr. MILLER. The grandfather clause covers—

Mr. MONRONEY. Only those presently employed.

I believe this provision will meet the objection and will not disrupt a Member's office, where longtime custom and familiarization in his home State well acquaints his constituents with the fact that he has had a relative assisting him.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. JAVITS. I thank my colleague very much for his customary courtesy.

In respect to title III, about which the Senator had a colloquy with the Senator from Iowa, the Senator from Oklahoma will remember that he and I engaged in a colloquy in which I made of record certain views as to the legal situation with respect to this title.

Would the Senator say, therefore, as a matter of legislative history, that whatever we had in the way of a colloquy with respect to the title, as the title has been retained intact, will continue to be applicable to it as retained in the conference report?

Mr. MONRONEY. That is my feeling on the matter. I speak only for myself. What I say would not be binding on the other members of the committee.

I believe this matter will come to a court decision, whether the first amendment or the fourth amendment would apply. I believe that the use of the fourth amendment as a basis for this legislation, under the right of privacy, would probably obtain. But I cannot second-guess the Supreme Court.

Mr. JAVITS. The Senator will remember how I felt about the matter. I repeat what I said then—because we are finally closing the record—that it is possible to reconcile the fourth amendment privilege with the first amendment privilege by having the courts, if they sought to, enjoin the Postmaster, if they felt that strongly about it, and that a case could be made out, notwithstanding the fact that the amendment reads "in his sole discretion."

I still believe—and I say this advisedly—that the courts would have to reconcile the first and fourth amendment protections, as the first amendment also protects the addressee, who has a right—I believe I gave the example of what sometimes happens in politics—to try to persuade the addressee. That is a right,

also, just as it is the right of the addressee to his privacy.

I am not in any way disagreeing with the fundamental thrust of the legislation. It is a problem we have all endured as fathers. I have young children, also. The Senator has been through that, and so have many other Senators. We understand what we are trying to reach. But I point out that it is possible for the courts to reconcile the first and fourth amendment privileges by dealing with the substantive nature of the items in question and by respecting the rights of both the addressor and the addressee.

I believe the Senator, by his leadership, has been responsible for tying together the rates and the salaries. I have seen this tried for years. It is a most creative concept. The postal employees, as the Senator knows, are very articulate, as are many other Government employees, and they do not feel that this is necessarily the optimum or that comparability has thereby been attained.

I believe that what the Senator has creatively led in being done on the subject of postal rates and Federal salaries—especially the salaries of postal workers—has gone a long way toward giving meaning to the concept of comparability, which was offered quite a few years ago, before it came to its own right in this bill. We all are grateful to the Senator for his arduous labors and the very creative way in which he has worked out this particular problem.

Mr. MONRONEY. I am deeply appreciative of the Senator's kind remarks. They apply to the entire committee, who worked long and diligently.

In this connection, I am very proud, as I know all other members of the committee are, of the excellent staff work we had. I have served for 29 years in many committees. I have gone through the price control days, Bretton Woods, and the World Bank. We have had good staffs in the past. But none have performed so diligently and perfectly, and none were better informed.

The staff members are John M. Burzio, the staff director of the Committee on Post Office and Civil Service; his colleague, David Minton, the general counsel; and the distinguished representative on the committee from the minority side, Mr. Frank A. Paschal, who was the right hand of the distinguished chairman when the committee was under Senator CARLSON's control; and he has worked in teamwork with these fine, outstanding, dedicated public servants to help bring about this result.

Mr. JAVITS. I should like to join the Senator in the remarks he has made about the staff.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. RANDOLPH. I wish to reemphasize the commendation of members of the staff by our distinguished chairman. These staff members are not only knowledgeable but also are very cooperative, and I desire that the RECORD reflect how strongly I feel about their vital contributions. The staff members have indeed provided valuable assistance.

(At this point, Mr. BYRD of Virginia assumed the chair.)

Mr. MONRONEY. I thank my distinguished colleague.

Mr. President, I am sorry if my distinguished colleague, the senior Senator from Texas [Mr. YARBOROUGH] was not in the Chamber. Again I wish to say that without his valiant help in the fight for movement forward on comparability and on revenue to go along with the bill to make up for additional costs during the next 2 years, we would not have been successful. The distinguished Senator was there at every meeting with his Texas shooting irons strapped to his side and it was with dead-eyed aim that he made a point.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. YARBOROUGH. Mr. President, the Senator from Oklahoma has given me more credit than I am entitled to. This is the most comprehensive postal rate and pay bill ever passed by a Congress of the United States, and it was due in great measure to the distinguished Senator from Oklahoma who conducted the hearings.

The bill came to the Senate and there were differences of opinion. The Senator from Oklahoma took the bill which the House passed, added provisions to it, and through his legislative know-how we have this insurance provision added to the bill.

There is another title added to the bill which would be of great benefit to the Federal service in that it takes Federal employees another step toward comparability. In 1962, under the leadership of President Kennedy, for the first time we had comparability promised for Federal employees; their pay for Federal service was to be comparable in amount and kind to that paid to people in private employment for similar jobs. Ever since then, due to the increasing cost of living, we have lagged behind further and further.

With the increases that are provided in the bill and promised in future years there will be averted the necessity for Congress to consider another pay bill next year, even if the cost of living continues to rise, because the steps are provided here to bring Federal employees closer to the comparability of salaries in private employment. This provision is likewise due to the legislative genius of our distinguished colleague from Oklahoma.

The Senator from Oklahoma held the committee together in the very tense days of the executive sessions when there were great differences of opinion in the committee and great differences of opinion within the two parties. There was a 12-man committee. Some votes were 6 to 6. But every time a motion failed with a 6-to-6 vote, the Senator from Oklahoma was on the prevailing side and his views prevailed throughout many close votes.

Mr. President, this fine bill is brought to the floor with unanimity of the conferees in both Houses, but in the executive sessions where every member speaks his piece wholeheartedly, it was not easy. This legislation is due to the dynamic

leadership of the distinguished Senator from Oklahoma.

One of the most hotly contested provisions in the bill was solved by the amendment added by the senior Senator from West Virginia, and it prevailed in the conference with the House. We were deadlocked on that provision day after day and the House at one time said they would not accept the bill, but they did accept it yesterday. Mr. President, this bill stands as a tribute to the Senators from West Virginia and Oklahoma. They have given the Senate great leadership and this bill will add much to Federal service.

We know there is a brain drain out of the Federal service, with officers and employees leaving, particularly in the higher echelons and in the higher GS grades. We hope that this bill will make it possible to keep these employees in the Federal service.

In this country we hear about the shortage of labor, but the greatest shortage is in those who are skilled in management. People who know how to manage and get things done are in extremely short supply. We have attempted to try to hold these people and keep them in the Federal service by raising their status. There is not much raise in money but there is in status.

I commend the distinguished Senator from Oklahoma for his leadership on this bill, and for the excellence of his staff. I have never seen excelled the skill of the staff of the committee and the technical know-how they displayed. In the past, we have had to have experts from Civil Service present to answer difficult questions. The Senator from Oklahoma now has a highly trained staff so that it is not necessary to call in people from the Civil Service Commission dealing with these highly complicated matters, and there are many difficult questions with 3 million employees covered in one bill.

Mr. President, the 1967 Federal pay bill provides a long-needed wage increase for our many fine Federal employees. The U.S. Government is the largest employer in the world. Today there are almost 3 million civilian employees in all branches of the Government. The 700,000 postal employees will receive a 6-percent increase retroactive to October 1, so in addition to a salary raise they will get a little extra for Christmas. In July of 1968, they will receive an additional 5-percent increase.

As chairman of the Postal Affairs Subcommittee I have long had an interest in postal salaries and have gladly supported each increase in the past 11 years. This year I was able to work for the increase in the committee, on the floor of the Senate, and in the Senate-House conference committee where we assured that the raise for our postal employees would be maintained.

Other Federal employees will also receive salary increases. I am proud that there are nearly 150,000 persons who will benefit directly from this bill in my own State of Texas. The wage increase is certainly justified by the testimony I heard in the many days of hearings held on this bill.

For many years, those who chose Federal service received less for their work than persons in private sectors of our economy doing comparable work. Those private occupations, based, of course, on profits and incentives, responded more quickly to price increases and to individual talents of employees. Federal employees, with wages periodically set by Congress, seemed destined to lag always behind.

The result was that the Government had a problem in recruiting the many doctors, lawyers, engineers, and other professional and staff persons it needed. And even after recruitment, increasing salaries and fringe benefits in the private sector lured away many of the most promising employees. Our Government and the employees on which it depends must be second to none. And that means that we must be a fair employer and pay a fair wage.

Under the leadership of President Kennedy, the Federal Salary Reform Act of 1962 was passed. That act established as a goal of Government, and as a commitment to its employees, wages which are comparable to those paid in private enterprise. There is a direct and proved relationship between adequate pay and the willingness of any employee anywhere to do his best. The Government must follow the principle of equal pay for equal work for Government employees.

Comparability will be given our Federal employees in three steps, beginning with a 4½-percent increase now. One-half of the gap between Government salaries and salaries in comparable private jobs will be closed in July 1968, and the full comparability will be reached in April 1969. I am proud to have participated in the passage of the bill whereby this pledge to 3 million American workers will be kept.

Mr. MONRONEY. Mr. President, I thank the able and competent Senator from Texas. I wish I could live up to his kind words but I do appreciate the compliment. It is credit which I do not justly deserve.

Mr. MUNDT. Mr. President, will the Senator yield so that I may ask a few questions?

Mr. MONRONEY. I yield.

Mr. MUNDT. Undoubtedly during my absence from the Chamber the Senator has discussed the Commission on Legislative, Executive, and Judicial Salaries.

Mr. MONRONEY. Yes.

Mr. MUNDT. It was not in the bill at the time it was passed by the Senate but it was put in, I presume, at the insistence of the House. Does that include all of the salaries which would be covered in the present bill?

Mr. MONRONEY. I do not understand the Senator.

Mr. MUNDT. Would it include all salaries included in the present bill?

Mr. MONRONEY. Senators' salaries are not included and neither are executives, nor the judiciary.

Mr. MUNDT. In the bill as we passed it.

Mr. MONRONEY. As we passed the bill the Commission, which the House insisted on until the last 5 minutes of

our conference when we were ready to break up and postpone action until after Christmas, this was the final result between the House, and was strongly insisted on in order to get the higher rate for third-class mail. The Senate strongly insisted on our position to throw out the President's Commission. Any Member can move to veto the recommendation, not only of the entire package of legislative, judicial, or executive, but separately as to legislative, judicial, or executive, or as to any ratio within those groups.

This was the final compromise that broke the logjam and made it possible for agreement on the bill.

Mr. MUNDT. As the bill passed the Senate, in the first instance, and I was happy to support the bill at that time, there was nothing involving a presidential commission at all in it.

Mr. MONRONEY. The Senate committee unanimously struck out that provision.

Mr. MUNDT. My question is, first, by this action of the conference committee, it now brings judicial and congressional salaries within the purview of a presidential commission.

Mr. MONRONEY. Also executive salaries.

Mr. MUNDT. Also executive salaries. As it brings in the executive salaries, does it include civil service salaries?

Mr. MONRONEY. No. This is only at the level the pay bills do not ordinarily apply to. Usually we deal with the general services or postal. But this is sub-Cabinet level.

Mr. MUNDT. Do I understand correctly that if the commission feature stays in, Congress would continue to retain control over postal and civil service salaries up to a certain executive level?

Mr. MONRONEY. Up to what we call the executive level, which includes sub-Cabinet, assistant secretaries, and such as that. This has been a troublesome thing for the committee because they are jealous of rank, responsibility, and so forth, which differs by titles. When we had the 1964 pay bill up, it was most confusing and difficult when we tried to adjust some of the salaries.

Mr. MUNDT. What is the rationale employed by the House to recognize the constitutional authority of Congress to pass on postal and Civil Service salaries, but to delegate the authority for their own salaries, as well as judicial and high-level executive salaries, to a commission?

Mr. MONRONEY. They have not delegated it. They have delegated the rights of recommendation. I would assume that it would be a high-level commission composed of some of the leading industrial and business leaders of this country, as well as lawyers, educators, and so on. They would study the situation and make recommendations to the President. The President, in his first budget message to Congress, would then transmit his recommendations. It is obvious that he would follow, perhaps, most of the commission's recommendations, recommendations which have been made by those who have no personal interest in the salaries of judges, of Congressmen, or of executives in the executive department.

Congress, being in session in the new term, would take up, within 30 days, the recommendations. Any Member in this body, or of the House, could demand a rollcall vote to veto it, so that no Member could avoid, in line with the Byrd amendment—which we accepted, and which passed the Senate with only seven votes against it as it was incorporated in the Legislative Reorganization Act now pending in the House—giving every Member the right to be recorded and would require all Congressmen to be recorded “yea,” “nay,” or “absent.” In other words, the conferees have employed the general formula we used in dealing with the executive reorganization recommendations.

Mr. MUNDT. The same pattern.

Mr. MONRONEY. A similar pattern, because we would be in session. The President's budget message comes to us in January, before we are involved in any other legislation. I am sure that if it contained increases for Members of the House and Senate, it would receive what I would think would be less than delayed consideration.

Mr. MUNDT. Speaking as one who applauded the action of the Senate committee in striking this commission feature from the bill, because I believed that determination of these salaries is very much within the right of Congress, as it is its right to determine postal and civil service salaries, let me ask this question, and I am sure that the chairman, who is a good parliamentarian, has explored this fully. Is there any parliamentary device available to the Senate, short of rejecting the conference report itself, by which it could move to strike this commission from the bill?

Mr. MONRONEY. There is none whatever. We could strike it from the bill. We could send it back to conference. But we would be hopelessly deadlocked and would be reopening an entirely new conference. It would mean no pay bill, not only this Christmas but probably for 2, 3, or 4 months ahead. That is my unstudied opinion, but it is my belief.

Mr. MUNDT. In other words, if I understand the Senator correctly, the only tool available to us now would be to reject the conference report.

Mr. MONRONEY. That is right—vote down the conference report, which would send it back to conference. I am not absolutely sure, but I think it would hurt the whole thing that we worked so hard and long to achieve. I think this was the hardest and longest bargaining session I have ever participated in.

Mr. MUNDT. This creates quite a dilemma for those of us who voted for the pay increase bill for classified employees and the postal service, who believe they are entitled to have it, but who do not approve of this particular method of determining salaries of high level agency heads and Members of Congress, as well as judicial salaries. It would mean having to reject something we approve of to accept something we dislike.

Mr. MONRONEY. That is right, but we still have the privilege of voting yea or nay. There is no hanky-panky about it. If we have the leading citizens of this country studying and recommending

salary rates, and then the President submits those recommendations, we have a right either to veto them or accept them or change them. We did this for the reorganization of the Government departments, remember, and it has worked rather well.

Mr. MUNDT. Did the Senator say that he cranks into this commission formula a regulation that any one Member in either House can determine by a rollcall vote that we do not have to have the recommendations?

Mr. MONRONEY. He would have to be supported. We cannot change the House rules, and we cannot change the Senate rules. But, customarily, of course, any time any one Member demands a rollcall on a most insignificant amendment, we have a rollcall. It is inconceivable to me that—

Mr. MUNDT. It seems to be always true on insignificant amendments, but that sometimes is not so true on significant amendments dealing with salaries of Members of Congress.

Mr. MONRONEY. Well, I have been in Congress for 29 years and I have never seen a rollcall refused when the issue was important and when one Member asked for it. We customarily are put on record on many minor things that sometimes are a lot more embarrassing than the task of approving or disapproving a recommendation by a high level commission which is supported by the President and comes to Congress in the regular order and which we have the power to veto.

We cut it out of the bill. We insisted during the last 5 minutes that if we wanted a bill we could have one. The House gave and gave and gave on their junk mail provisions. We made them rewrite the amendment to take out the language that we thought would avoid a definite objection, strictly on the issue of our own allowances.

Mr. MUNDT. Well, I should like to conclude by saying that I join my colleagues in thanking the conferees for doing a splendid job, with the caveat that I am sorry they failed on this particular issue.

Mr. MONRONEY. We did our work as best we could. Certainly, when we threw it unanimously out of the committee, the report clearly shows our attitude in the debate that went along, about the “irresistible force meeting an immovable object,” which obtained; and we finally came down to the wire. It was either break up in 5 minutes and go over it again in the future, start the thing all over again, or take the two things in the best shape we could possibly get them in.

Mr. MUNDT. I thank the Senator for his explanation.

Mr. ERVIN. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. ERVIN. I want to commend the Senator from Oklahoma for the wonderful job he has done, not only as chairman of the committee which considered the bill on behalf of the Senate conferees, but also as a representative of the Senate in the very hard conference which the Senate conferees had with the House on this question.

Like the Senator from Oklahoma and the Senator from South Dakota, this provision of the conference report which is adopted from the original House bill, passing the buck of fixing congressional salaries, is totally repugnant to me. However, I am satisfied, from what I have been able to learn about the difficulties in the conference, that the adoption of this conference report is necessary to get a bill at all on this subject.

Notwithstanding that this particular provision, which passes the buck on fixing congressional salaries, is totally repugnant to me, I expect to vote for the measure on the ground that it is the only way to permit the bill being passed.

I know the Senator from Oklahoma, like the Senator from North Carolina, was strongly opposed to that original provision in the House bill, and that he agreed to this in conference merely as a last resort to prevent the loss of the measure entirely.

I thank the Senator for giving me this opportunity to make my position clear.

Mr. MONRONEY. I thank the Senator from North Carolina for his comments. He is one of the most learned constitutional lawyers who has ever graced this Chamber.

(At this point Mr. HATFIELD assumed the chair as Presiding Officer.)

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. THURMOND. I want to ask the Senator whether the Commission—I believe reference to it begins on page 34—is in accord with the Constitution, in that Congress has the right to act. It may be said that Congress will act, but the President, under this provision, will submit a plan and then one body or the other has to reject it. In other words, the whole plan must go up or down.

Mr. MONRONEY. We could vote separately, and, if Congress wished, it could reduce congressional salaries and accept the recommendation of the Commission on the Executive and Judiciary Salaries. This provision makes possible a direct individual vote on matters involving the Members of the House and the Senate or anyone else.

Mr. THURMOND. Suppose Congress favored raising some salaries, but the President brought in a plan that puts some salaries at a certain figure and some at higher or lower figures, and that was not in accordance with what the Congress wanted. The only way to show that disapproval would be to kill the whole plan.

Mr. MONRONEY. We could vote on the separate parts. It takes only a majority of one of either the House or the Senate to reject it. I am not a constitutional lawyer. Many great men in the Senate are. But this follows the test we had in the reorganization plan, in which Congress said these recommendations can be made by a Presidential commission, submitted to the Congress, and either House, by a majority of one, can veto it. So we did surrender similar constitutional power that we had in order to permit reorganization of many departments of government.

Mr. THURMOND. The Constitution provides that Congress shall legislate,

which means it will pass legislation fixing salaries. If this plan is adopted and the President comes up with a plan in which he fixes salaries, Congress does not fix them. Congress will go along with what he recommended for the executive branch or turn them all down. Does not the Senator think that is depriving Congress of the right to readjust salaries as Congress would wish, rather than have a whole plan rammed down our throats?

Mr. MONRONEY. This provides for a separate vote. We would have a separate vote on the executive and a separate vote on the legislative.

Mr. THURMOND. I am talking about salaries within the executive branch.

Mr. MONRONEY. If the Senator does not like those salaries, a majority of one in either body can veto that plan and Congress can fix those salaries legislatively. We have not surrendered any power. We have the right to exercise that power whenever such a plan does not meet the consensus of a majority of one in either House.

Mr. THURMOND. Would not one plan be presented for the Executive and for the Judiciary and for the Legislative?

Mr. MONRONEY. It would likely come down from the Presidential Commission as one proposal. When that plan reached the floor, it could be separated and we could vote on it one by one. Any Member rising in his place can move to reject each section of the proposal. We can vote on each separately. Either House, by a majority of one, can reject or modify the plan. So the power rests with the congressional branch. We must accept the responsibility for accepting any recommendations that may come to us. There is the other alternative. If it should go through by a majority of three or four, Senators can say, "I do not care for that pay raise. I will send back the rest of the money." I do not expect many to do that.

Mr. THURMOND. Again, the Senator had a plan for the Executive.

Mr. MONRONEY. I did not have a plan—

Mr. THURMOND. I mean if the President submits a plan, the plan will come, one for the Executive, one for the Judiciary, and one for the congressional branch. The President, though, is going to fix those salaries. Yes, we can turn them down. We can turn any one plan down, but the salaries for any of those branches of the Executive, the Legislative, and the Judiciary will be fixed by the President. Then the whole plan can be voted up or down.

I take the position that that is depriving Congress of the right to legislate.

Mr. MONRONEY. I thank the Senator.

Mr. President, I ask for a vote.

The PRESIDING OFFICER. The question is on the motion to concur in the House amendment to the Senate amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. THURMOND (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Kentucky [Mr. COOPER]. If he were pres-

ent and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia: I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MONDALE], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

I further announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Hawaii [Mr. INOUE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Alabama [Mr. HILL], the Senator from Hawaii [Mr. INOUE], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MONDALE], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Tennessee [Mr. BAKER], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Texas [Mr. TOWER], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Colorado [Mr. ALLOTT] and the Senators from Kentucky [Mr. COOPER and Mr. MORTON] are absent on official business.

The Senator from Vermont [Mr. PROUTY] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. DOMINICK], the Senator from Tennessee [Mr. BAKER], the Senator from California [Mr. KUCHEL], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The pair of the Senator from Kentucky [Mr. COOPER] has been previously announced.

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Delaware [Mr. WILLIAMS]. If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Delaware would vote "nay."

The result was announced—yeas 72, nays 0, as follows:

[No. 386 Leg.]

YEAS—72

Bartlett	Harris	Miller
Bennett	Hart	Monroney
Bible	Hartke	Montoya
Boggs	Hatfield	Morse
Brewster	Hayden	Moss
Brooke	Hickenlooper	Mundt
Burdick	Holland	Murphy
Byrd, Va.	Hollings	Muskie
Byrd, W. Va.	Hruska	Nelson
Cannon	Jackson	Pastore
Carlson	Javits	Pearson
Case	Jordan, N.C.	Pell
Church	Jordan, Idaho	Proxmire
Cotton	Kennedy, Mass.	Randolph
Curtis	Kennedy, N.Y.	Smathers
Dirksen	Long, Mo.	Smith
Ervin	Long, La.	Sparkman
Fannin	Mansfield	Spong
Fong	McCarthy	Stennis
Fulbright	McClellan	Tydings
Gore	McGee	Williams, N.J.
Griffin	McGovern	Yarborough
Gruening	McIntyre	Young, N. Dak.
Hansen	Metcalf	Young, Ohio

NAYS—0

NOT VOTING—28

Aiken	Ellender	Ribicoff
Allott	Hill	Russell
Anderson	Inouye	Scott
Baker	Kuchel	Symington
Bayh	Lausche	Talmadge
Clark	Magnuson	Thurmond
Cooper	Mondale	Tower
Dodd	Morton	Williams, Del.
Dominick	Percy	
Eastland	Prouty	

So the Senate concurred in the House amendment to the Senate amendment.

Mr. MONRONEY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MAIL MATTER FOR THE BLIND AND HANDICAPPED

Mr. HARTKE. Mr. President, it gives me genuine satisfaction to see the passage today in final form of the postal rate and pay bill.

But as one who has consistently over the years championed the improvement of conditions for the blind, I am particularly gratified at the inclusion of my bill S. 1953 as section 114 of the bill. There is reason to be gratified when we have helped to improve the lot of the blind and visually handicapped as this part of the bill has done. In only a few words, let me point out what it accomplishes.

The free mailing privilege is now to be provided not simply for a limited class of material in Braille, but for sound reproductions, whether records, tape, or other items made possible by modern technology; for the reproducers and parts of such machines which are now so indispensable to many blind persons; for braillewriters and typewriters, and other devices or parts for them used by the blind or sight handicapped. Further, for the first time it will now be possible for the blind to communicate with others by sending through the mails records or tapes—voice letters, really—without charge, as well as unsealed letters in Braille or sightsaving type. This, in particular, is a real boon to many of the blind, who have such limited income that



Public Law 90-206
90th Congress, H. R. 7977
December 16, 1967

An Act

To adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postal Revenue and Federal Salary Act of 1967".

Postal Revenue
and Federal Sal-
ary Act of 1967.

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, 74 Stat. 664, are amended to read as follows:

§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is computed separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

Post, p. 614.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

74 Stat. 663.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

81 STAT. 613

81 STAT. 614

(b) Section 4251(a) of title 39, United States Code, is amended by striking out "and (4)" and inserting in lieu thereof "(4) bills and statements of account, and (5)".

(c) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(d) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits."

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

74 Stat. 665.

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than 7 ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents."

74 Stat. 665.

(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

“(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

74 Stat. 674 •

80 Stat. 818,

816.

	“Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb.	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Over 1 lb. but not over 1½ lbs. ....	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs.	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs.	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs.	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs.	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs.	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs.	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs.	2.60	2.73	3.02	3.39	3.71	4.08

81 STAT. 614

81 STAT. 615

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

“Zones	Rate
Local and zones 1, 2, and 3.....	\$0.48
Zone 4.....	.50
Zone 5.....	.56
Zone 6.....	.64
Zone 7.....	.72
Zone 8.....	.80.”;

76 Stat. 832.

(2) by deleting paragraph (2); and

80 Stat. 1154.

(3) by striking out in paragraph (5), subparagraphs (B) and (C) and inserting in lieu thereof the following:

“(B) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public which are mailed at or addressed to any such Armed Forces post office (i) in an overseas area designated by the President under section 4169 of this title or (ii) in an isolated, hardship or combat support area overseas, or where adequate surface transportation is not available; and

79 Stat. 1163.

“(C) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available.”.

80 Stat. 1155.

(c) Section 4303(f) of title 39, United States Code, is amended by striking out “the Virgin Islands or the Canal Zone” wherever appearing therein and inserting in lieu thereof “or the Virgin Islands”.

74 Stat. 664.

(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word “eight” and inserting in lieu thereof the figure “7”.

SECOND-CLASS MAIL PREFERRED RATES

76 Stat. 832.

SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

“(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

	“[In cents]		
	Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	1.3	1.4	1.5
Minimum charge per piece.....	.2	.2	.2”;

(2) by adding at the end thereof the following:

“(d) (1) Except as provided in paragraph (2), the rates of postage on publications mailed in accordance with section 4359(a) of this title, 74 Stat. 669, of qualified nonprofit organizations, are as follows:

	“[In cents]					
	During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and there- after
Rate per pound:						
Advertising portion:						
Zones 1 and 2.....	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3.....	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4.....	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5.....	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7.....	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8.....	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion.....	1.9	2.0	2.1	2.1	2.1	2.1
Minimum charge per piece.....	.13	.15	.2	.2	.2	.2

“(2) The postage on an issue of a publication referred to in paragraph (1), the advertising portion of which does not exceed 10 per centum of such issue, shall be computed without regard to the rates applicable to the advertising portion prescribed in such paragraph.

“(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

“(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

“(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

“(h) The publisher of a classroom publication, of a publication referred to in subsection (f) of this section, or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

Post, p. 617.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

Definitions.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans', fraternal, and associations of rural electric cooperatives, program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title."; and

(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication."

and inserting in lieu thereof—

"4358. Rates of postage; preferred."

SECOND-CLASS MAIL REGULAR RATES

74 Stat. 669.

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound:			
Advertising portion:			
Zones 1 and 2.....	4.6	4.9	5.2
Zone 3.....	5.7	6.0	6.4
Zone 4.....	7.8	8.3	8.8
Zone 5.....	9.9	10.5	11.1
Zone 6.....	12.0	12.8	13.6
Zone 7.....	12.8	13.7	14.5
Zone 8.....	15.0	16.0	17.0
Nonadvertising portion.....	3.0	3.2	3.4
Minimum charge per piece.....	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto. 74 Stat. 668; Ante, p. 615.

"(d) (1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or air transportation of first-class mail on a space-available basis. 72 Stat. 763.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation, but the total of such charges and the lawfully required postage shall not be less than 4 cents per piece.

"(e) As used in this section the term 'zones' means the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title."; and 74 Stat. 674. 80 Stat. 816.

(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular".

74 Stat. 669.

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4359. Postage rates beyond county of publication."

and inserting in lieu thereof—

"4359. Rates of postage; regular."

(c) Subsection (b) of section 4365 of title 39, United States Code, is amended by striking out "bills,". 74 Stat. 670.

(d) Section 4369(a) (4) of title 39, United States Code, is amended by striking out " : *Provided, however,* That trade publications serving the performing arts need only to furnish such information to the Postmaster General". 76 Stat. 1144.

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents". 74 Stat. 670.

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows: 74 Stat. 672.

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section

74 Stat. 672.

4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

" [In cents]			
	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound.....	14.0	14.5	15.0
Minimum charge per piece.....	1.9	2.9	3.8"

THIRD-CLASS MAIL

76 Stat. 834.

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing	Rates		Unit
	Mailed during cal- endar year 1968	Mailed after June 30, 1969	
	Cents	Cents	
(1) Individual piece.....	6.0	6.0	First 2 ounces or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—	2.0	2.0	Each additional ounce or fraction thereof.
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions, and plants.	16.0	16.0	Each pound or fraction thereof.
(B) Other matter.....	22.0	22.0	Do.
(C) Minimum charge of.....	3.6	4.0	Per piece.

After June 30, 1969, in lieu of the minimum charge per piece specified in the foregoing table, a person who mails for himself, or on whose behalf there is a mailing, under subsection (e) of this section, shall pay a minimum charge per piece of 3.8 cents on the first 250,000 pieces mailed during a year. For such purpose, the number of pieces mailed during a year shall be the aggregate of the pieces mailed under item (2) (A), (B), and (C) of the above table.

"(b) Matter mailed in bulk under subsection (e) by qualified non-profit organizations is subject to a minimum charge for each piece equal to 40 per centum of the minimum charge per piece provided in the table under subsection (a), rounded off to the nearest one-tenth cent."

Repeal.

74 Stat. 672.

(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

76 Stat. 445.

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 12 cents for the first pound or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, consisting wholly of reading matter or scholarly bibliography or

reading matter with incidental blank spaces for notations, and containing no advertising matter other than incidental announcements of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to or from commercial theaters;";

(2) by striking out in subsection (b)(1) "4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof" and inserting in lieu thereof "5 cents for the first pound or fraction thereof and 2 cents for each additional pound or fraction thereof";

76 Stat. 445.

(3) by inserting in subsection (b)(1)(B) "museums and herbaria," immediately following "public libraries,";

(4) in subsection (b)(2) by striking out "and" at the end of clause (E); by striking out the period at the end of clause (F) and inserting in lieu thereof "; and"; and by adding at the end of such subsection the following new clause:

"(G) museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the education work and interests of museums and herbaria.";

(5) by inserting in subsection (c) "or narrower width" immediately following "16-millimeter", and "museum materials, specimens, collections, teaching aids, printed matter, and interpretative materials intended to inform and to further the educational work and interests of museums and herbaria," immediately following "sound recordings,"; and

(6) by amending subsection (e) to read as follows:

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him."

(b) Subparagraph (6) of section 4554(a) of title 39, United States Code, is amended by inserting "playscripts and" immediately following "(6)".

(c) The section heading of section 4554 of title 39, United States Code, is amended to read—

74 Stat. 675.

"§ 4554. Books, films, and other materials; preferred rates".

(d) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films."

and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates."

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof".

74 Stat. 676.

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail."

SEPARATION BY MAILER OF SECOND-CLASS MAIL

74 Stat. 670.

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail

"The Postmaster General may require publishers and news agents to separate, make up, and address second-class matter in such manner as he directs in accordance with a 5-digit ZIP code system."

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers."

ADDITIONAL ENTRY POINTS

Ante, p. 615.

SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry."

MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

76 Stat. 837.

SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment who are certified by competent authority as unable to read normal reading material in accordance with the provisions of the first section of the Act of July 30, 1966 (Public Law 89-522; 80 Stat. 330);

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

2 USC 135a,
135b.

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

"Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a) (1) of this title, in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage. Ante, p. 621.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words 'Free Matter for the Blind or Handicapped', or words to that effect specified by the Postmaster General, in the upper right-hand corner of the address area."

(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

74 Stat. 676.

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings."

(c) Section 4451(d) of title 39, United States Code, is repealed.

Repeal.

74 Stat. 672.

PERMISSIBLE ENCLOSURES FOR FOURTH-CLASS MAIL

SEC. 115. Section 4555(a) of title 39, United States Code, is amended—

76 Stat. 102.

(1) by striking out "and" at the end of clause (9);

(2) by striking out the period at the end of clause (10) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof:

"(11) invoices, whether or not also serving as bills, if they relate solely to the matter with which they are mailed."

REIMBURSEMENT OF THE POSTAL SERVICE OF THE CANAL ZONE

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

74 Stat. 659;

79 Stat. 1163.

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d) (5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

79 Stat. 1163;

Ante, p. 615.

Post, p. 623.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations

77 Stat. 462.

or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone, as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.”

74 Stat. 659. (b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

“4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone.”

immediately below—

“4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.”.

PARCEL AIRLIFT

74 Stat. 673;
80 Stat. 815. SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

“§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

77 Stat. 462. “Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers.”.

72 Stat. 763. (b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

“4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices.”.

SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

74 Stat. 654. SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

“(c) Matter otherwise legally acceptable in the mails which—

“(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

“(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both;

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

“(A) the following notice: ‘This is a solicitation for the order of goods and/or services and not a bill, invoice, or state-

ment of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer"; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe."

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATE

SEC. 119. This title shall become effective on January 7, 1968.

CONFORMING AMENDMENTS

SEC. 120. (a) (1) Subparagraph (A) of section 2303(a) (1) of title 39, United States Code, is repealed. Repeal.
76 Stat. 836.

(2) Subparagraph (D) of such section is amended to read as follows: 74 Stat. 600.

"(D) free postage on reading matter and other articles for the blind and other handicapped persons as provided by sections 4653 and 4654 of this title";

(3) Subparagraph (I) is amended by striking out "educational". Ante, pp. 621,
622.

(b) Section 4552(c) of such title is amended—

(1) by inserting "and" after the semicolon at the end of paragraph (4); 74 Stat. 601.
74 Stat. 674.

(2) by striking out "; and" at the end of paragraph (5) and inserting in lieu thereof a period; and

(3) by striking out paragraph (6).

EDUCATIONAL TELEVISION

SEC. 121. Section 4355(a) of title 39, United States Code, is amended by striking out the period at the end of item (10) and inserting in lieu thereof a semicolon and the word "or", and by adding after item (10) the following new item: 74 Stat. 667;
76 Stat. 837.

"(11) program announcements or guides published by an educational radio or television agency of a State or political subdivision thereof or by a nonprofit educational radio or television station."

UNDELIVERED FIRST CLASS MAIL

SEC. 122. Subsection (a) of section 4106 of title 39, United States Code, is amended to read as follows: 74 Stat. 658.

"(a) The Postmaster General shall notify the sender or addressee upon request by the sender or addressee, when mail is undelivered as addressed, of the reason for the nondelivery, and in the case of the notice to the sender, the new address of the addressee if known. The Postmaster General shall prescribe a uniform charge to be collected for the service performed pursuant to this subsection."

TITLE II—FEDERAL SALARY INCREASES

SHORT TITLE

SEC. 201. This title may be cited as the "Federal Salary Act of 1967". Federal Salary
Act of 1967.

EMPLOYEES SUBJECT TO THE GENERAL SCHEDULE

SEC. 202. (a) The General Schedule contained in section 5332(a) of title 5, United States Code, is amended to read as follows: Ante, p. 199.

"GENERAL SCHEDULE

"Grade	Annual rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1-----	\$3,776	\$3,902	\$4,028	\$4,154	\$4,280	\$4,406	\$4,532	\$4,658	\$4,784	\$4,910
GS-2-----	4,108	4,245	4,382	4,519	4,656	4,793	4,930	5,067	5,204	5,341
GS-3-----	4,466	4,615	4,764	4,913	5,062	5,211	5,360	5,509	5,658	5,807
GS-4-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489
GS-5-----	5,565	5,751	5,937	6,123	6,309	6,495	6,681	6,867	7,053	7,239
GS-6-----	6,137	6,342	6,547	6,752	6,957	7,162	7,367	7,572	7,777	7,982
GS-7-----	6,734	6,959	7,184	7,409	7,634	7,859	8,084	8,309	8,534	8,759
GS-8-----	7,384	7,630	7,876	8,122	8,368	8,614	8,860	9,106	9,352	9,598
GS-9-----	8,054	8,323	8,592	8,861	9,130	9,399	9,668	9,937	10,206	10,475
GS-10-----	8,821	9,115	9,409	9,703	9,997	10,291	10,585	10,879	11,173	11,467
GS-11-----	9,657	9,979	10,301	10,623	10,945	11,267	11,589	11,911	12,233	12,555
GS-12-----	11,461	11,843	12,225	12,607	12,989	13,371	13,753	14,135	14,517	14,899
GS-13-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
GS-14-----	15,841	16,369	16,897	17,425	17,953	18,481	19,009	19,537	20,065	20,593
GS-15-----	18,404	19,017	19,630	20,243	20,856	21,469	22,082	22,695	23,308	23,921
GS-16-----	20,982	21,681	22,380	23,079	23,778	24,477	25,176	25,875	26,574	-----
GS-17-----	23,788	24,581	25,374	26,167	26,960	-----	-----	-----	-----	-----
GS-18-----	27,055	-----	-----	-----	-----	-----	-----	-----	-----	-----

80 Stat. 458.

(b) Except as provided in section 5303 of title 5, United States Code, the rates of basic pay of officers and employees to whom the General Schedule set forth in the amendment made by subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

(1) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule, he shall receive a rate of basic pay at the corresponding rate in effect on and after such date.

(2) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule, he shall receive a rate of basic pay at the higher of the two corresponding rates in effect on and after such date.

(3) If the officer or employee is receiving basic pay immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic pay increased by 4.5 per centum, rounded to the next highest dollar, if such existing rate as so increased is higher.

69 Stat. 173.

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b) (4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of pay determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of pay equal to the sum of his existing aggregate rate of pay on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate pay at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of pay of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this subparagraph, the amount of the increase provided by this section shall be held and considered for the purposes of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of pay of the employee.

68 Stat. 1111.

(5) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the

date of enactment of this title, was promoted from one grade under the General Schedule contained in section 5332 (a) of title 5, United States Code, to another such grade at a rate which is above the minimum rate thereof, his rate of basic pay shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in the amendment made by subsection (a) of this section which corresponds numerically to the step of the grade of the General Schedule to which such officer or employee was promoted as in effect (without regard to this title) at the time of such promotion. Ante, p. 199.

(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this title, became subject to the General Schedule and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

LIMITATION ON NUMBERS OF CERTAIN POSTAL POSITIONS

SEC. 203. Section 3301 of title 39, United States Code, is amended by striking out "salary levels 19 and 20" and inserting in lieu thereof "salary levels 20 and 21". 76 Stat. 858.

CHANGES IN KEY POSITIONS IN POSTAL FIELD SERVICE

SEC. 204. (a) That part of chapter 45 of title 39, United States Code, under the heading "POSITIONS" is amended by striking out section 3512 and inserting in lieu thereof the following new sections: 74 Stat. 616.

§ 3512. Positions in salary level 1

"Cleaner. (KP-51)

"(1) **Basic function.**—Performs a variety of light cleaning and housekeeping tasks in connection with the custodial maintenance of a postal installation.

"(2) Duties and responsibilities.—

"(A) Sweeps, mops, dusts, washes, and otherwise performs light cleaning and housekeeping tasks to maintain offices, wash-rooms, lobbies, corridors, stairways, and other areas of the building in neat and orderly condition.

"(B) Performs such duties as dusting, waxing, and polishing office furniture, sweeping and mopping floors, vacuuming rugs, emptying wastebaskets and trash, washing interior window and partition glass and fixtures which can be reached without use of ladders or scaffolding.

"(3) **Organizational relationships.**—Reports to a foreman or other designated supervisor.

"§ 3512A. Positions in salary level 2

"Custodian. (KP-1)

"(1) **Basic function.**—Performs manual laboring duties in connection with custody of an office or building.

"(2) Duties and responsibilities.—

"(A) Performs any combination of the following duties:

"1. Moves furniture and equipment.

"2. Uncrates and assembles furniture and fixtures, using bolts and screws for assembly.

"3. Loads and unloads supplies and equipment.

"4. Removes trash from work areas, lobbies, and washrooms.

"5. Tends to lawns, shrubbery, and premises of the post office and cleans ice and snow from the sidewalks and driveways.

"6. Stacks supplies in storage rooms and on shelves, and completes forms or records as required.

"(B) May perform cleaning duties as assigned.

"(3) Organizational relationships.—Reports to a foreman or other designated supervisor."

(b) Each salary level number in the headings of sections 3513 to 3531, inclusive, of title 39, United States Code, and each other numerical reference to such salary level number in any other provision of such title (including the table of contents of chapter 45) which is not otherwise increased by this title, is increased by 1.

(c) Each employee in the postal field service on the date of enactment of this title, whose position is placed in salary level 2 of the Postal Field Service Schedule by reason of the enactment of this section and section 205(e)(1) of this title, shall remain in salary level 2 of such schedule so long as he remains in such position or occupies, without break in service of more than thirty days, a position of a comparable level of duties, responsibilities, and work requirements in such salary level. When the employee leaves any such position, the position shall be appropriately ranked in accordance with chapter 45 of title 39, United States Code.

(d) The table of contents of chapter 45 of title 39, United States Code, is amended by inserting—

"3512A. Positions in salary level 2."

immediately below—

"3512. Positions in salary level 1."

POSTAL FIELD SERVICE EMPLOYEES

SEC. 205. (a) Section 3542(a) of title 39, United States Code, is amended to read as follows:

"(a) There are established basic compensation schedules for positions in the postal field service which shall be known as the Postal Field Service Schedules and for which the symbol shall be 'PFS'. Except as provided in sections 3543 and 3544 of this title, basic com-

74 Stat. 616-644.

74 Stat. 614.

Post, p. 630.

80 Stat. 289.

Post, pp. 628, 629.

"POSTAL FIELD SERVICE SCHEDULE 1"

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,118	\$4,255	\$4,392	\$4,529	\$4,666	\$4,803	\$4,940	\$5,077	\$5,214	\$5,351	\$5,488	\$5,625
2	4,460	4,607	4,754	4,901	5,048	5,195	5,342	5,489	5,636	5,783	5,930	6,077
3	4,826	4,984	5,142	5,300	5,458	5,616	5,774	5,932	6,090	6,248	6,406	6,564
4	5,215	5,391	5,567	5,743	5,919	6,095	6,271	6,447	6,623	6,799	6,975	7,151
5	5,651	5,838	6,025	6,212	6,399	6,586	6,773	6,960	7,147	7,334	7,521	7,708
6	6,044	6,246	6,448	6,650	6,852	7,054	7,256	7,458	7,660	7,862	8,064	8,266
7	6,482	6,697	6,912	7,127	7,342	7,557	7,772	7,987	8,202	8,417	8,632	8,847
8	6,939	7,170	7,401	7,632	7,863	8,094	8,325	8,556	8,787	9,018	9,249	
9	7,515	7,764	8,013	8,262	8,511	8,760	9,009	9,258	9,507	9,756		
10	8,128	8,398	8,668	8,938	9,208	9,478	9,748	10,018	10,288	10,558		
11	8,846	9,146	9,446	9,746	10,046	10,346	10,646	10,946	11,246	11,546		
12	9,775	10,109	10,443	10,777	11,111	11,445	11,779	12,113	12,447	12,781		
13	10,815	11,183	11,551	11,919	12,287	12,655	13,023	13,391	13,759	14,127		
14	11,951	12,364	12,777	13,190	13,603	14,016	14,429	14,842	15,255	15,668		
15	13,173	13,631	14,089	14,547	15,005	15,463	15,921	16,379	16,837	17,295		
16	14,564	15,066	15,568	16,070	16,572	17,074	17,576	18,078	18,580	19,082		
17	16,090	16,650	17,210	17,770	18,330	18,890	19,450	20,010	20,570	21,130		
18	17,803	18,425	19,047	19,669	20,291	20,913	21,535	22,157	22,779	23,401		
19	19,642	20,294	20,946	21,598	22,250	22,902	23,554	24,206	24,858	25,510		
20	21,758	22,484	23,210	23,936	24,662	25,388	26,114	26,840				
21	24,126	24,932	25,738	26,544	26,960							

"PFS	1	2	3	4	5	6	7	8	9	10	11	12
1	\$4,324	\$4,468	\$4,612	\$4,756	\$4,900	\$5,044	\$5,188	\$5,332	\$5,476	\$5,620	\$5,764	\$5,908
2	4,687	4,841	4,995	5,149	5,303	5,457	5,611	5,765	5,919	6,073	6,227	6,381
3	5,068	5,234	5,400	5,566	5,732	5,898	6,064	6,230	6,396	6,562	6,728	6,894
4	5,476	5,661	5,846	6,031	6,216	6,401	6,586	6,771	6,956	7,141	7,326	7,511
5	5,938	6,134	6,330	6,526	6,722	6,918	7,114	7,310	7,506	7,702	7,898	8,094
6	6,348	6,560	6,772	6,984	7,196	7,408	7,620	7,832	8,044	8,256	8,468	8,680
7	6,807	7,033	7,259	7,485	7,711	7,937	8,163	8,389	8,615	8,841	9,067	9,293
8	7,286	7,529	7,772	8,015	8,258	8,501	8,744	8,987	9,230	9,473	9,716	
9	7,891	8,153	8,415	8,677	8,939	9,201	9,463	9,725	9,987	10,249		
10	8,535	8,819	9,103	9,387	9,671	9,955	10,239	10,523	10,807	11,091		
11	9,289	9,604	9,919	10,234	10,549	10,864	11,179	11,494	11,809	12,124		
12	10,264	10,615	10,966	11,317	11,668	12,019	12,370	12,721	13,072	13,423		
13	11,356	11,743	12,130	12,517	12,904	13,291	13,678	14,065	14,452	14,839		
14	12,549	12,983	13,417	13,851	14,285	14,719	15,153	15,587	16,021	16,455		
15	13,832	14,313	14,794	15,275	15,756	16,237	16,718	17,199	17,680	18,161		
16	15,293	15,820	16,347	16,874	17,401	17,928	18,455	18,982	19,509	20,036		
17	16,895	17,483	18,071	18,659	19,247	19,835	20,423	21,011	21,599	22,187		
18	18,695	19,348	20,001	20,654	21,307	21,960	22,613	23,266	23,919	24,572		
19	20,625	21,310	22,001	22,690	23,385	24,080	24,775	25,470	26,165	26,860		
20	22,848	23,610	24,372	25,134	25,896	26,658	27,420	28,182	28,944	29,706		
21	25,333	26,179	27,025	27,871	28,717	29,563	30,409	31,255	32,101	32,947		

“(a) There are established basic compensation schedules which shall be known as the Rural Carrier Schedules and for which the symbol shall be ‘RCS’. Compensation shall be paid to rural carriers in accordance with such schedules.

[illegible]

"RURAL CARRIER SCHEDULE II

"[To be effective on the first day of the first pay period beginning on or after July 1, 1968]

	"Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Fixed compensation.....	\$2,668	\$2,804	\$2,940	\$3,076	\$3,212	\$3,348	\$3,484	\$3,620	\$3,756	\$3,892	\$4,028	\$4,164
For each mile up to 30 miles of route.....	99	101	103	105	107	109	111	113	115	117	119	121
For each mile of route over 30.....	25	25	25	25	25	25	25	25	25	25	25	25"

74 Stat. 647.

(c) Section 3544 of title 39, United States Code, is amended to read as follows:

"§ 3544. Compensation of postmasters at fourth-class offices

"(a) The Postmaster General shall—

Ante, p. 628.

"(1) rank each position of postmaster at a post office of the fourth class in salary level 6 of the Postal Field Service Schedule; and

"(2) establish, and adjust from time to time, the annual rate of basic compensation, for each such position of postmaster so ranked, in an amount which bears the same ratio to the annual rate of basic compensation for full-time service in a position (other than postmaster at a post office of the fourth class) in the same step of salary level 6 of such schedule, as the average number of hours of service per day which the Postmaster General determines necessary to be performed by such postmaster to operate the post office, in the light of the postal needs of the patrons of the office, bears to the total number of hours per day of such full-time service.

Actions and determinations by the Postmaster General under this subsection shall be final and conclusive until changed by him.

"(b) A person who performs the duties of postmaster at a post office of the fourth class where there is a vacancy, or during the absence of the postmaster on sick or annual leave or leave without pay, shall be compensated at the rate of basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section.

"(c) When required by the Postmaster General, a postmaster at a fourth-class office shall, and any other postmaster in PFS level 6 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for step 1 of salary level 6 of the Postal Field Service Schedule, determined under subsection (a) of this section."

(d) Each postmaster at a post office of the fourth class on the effective date of Postal Field Service Schedule I shall be placed in salary level 6 of the Postal Field Service Schedule at the lowest step which provides a rate, determined under section 3544(a) of title 39, United States Code, which is at least equal to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. If there is no such step in salary level 6, he is entitled to his rate of basic compensation in effect immediately prior to such effective date plus 6 per centum thereof. For the purposes of this subsection, basic compensation in effect immediately prior to the effective date of Postal Field Service Schedule I shall be determined after giving effect to any change in salary step or revenue units category which would have occurred on the effective date of this section without regard to the enactment of this title.

Supra.

(e) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule I shall be determined as follows:

(1) Each employee subject to the Postal Field Service Schedule shall be assigned to the same numerical step for his position, placed in the next higher salary level, which he had attained immediately prior to such effective date.

(2) Each employee subject to the Rural Carrier Schedule shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date.

(3) If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

(4) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) or (2) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 6 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

(f) The advancement of any employee to a higher salary level of the Postal Field Service Schedule by reason of the enactment of this section shall not be deemed to be an equivalent increase within the meaning of section 3552(a) of title 39, United States Code.

78 Stat. 408.

(g) The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of Postal Field Service Schedule II shall be determined as follows:

(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this title, such changes shall be deemed to have occurred prior to conversion.

(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this subsection, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation increased by 5 per centum, rounded to the next highest dollar, shall be established as his basic compensation.

(h) Each employee whose position, by reason of the enactment of this section, is placed in a level of the Postal Field Service Schedule shall be entitled, for purposes of section 3560 of title 39, United States Code, to credit for time served in the postal field service prior to the effective date of this section.

(i) The table of contents of chapter 45 of title 39, United States Code, is amended by striking out—

~~“3544. Fourth Class Office Schedule.”~~

and inserting in lieu thereof—

~~“3544. Compensation of postmasters at fourth-class offices.”~~

CONFORMING AMENDMENTS

75 Stat. 569;
78 Stat. 408.

SEC. 206. (a) Section 3560(a) of title 39, United States Code, is amended by striking out "(3) revenue unit category, with respect to the Fourth Class Office Schedule." and inserting in lieu thereof "(3) minimum hours of service with respect to postmasters in fourth-class post offices."

(b) Section 3560(f) of title 39, United States Code, is amended by striking out "(1) reductions in class or revenue unit category of any post office, or" and inserting in lieu thereof "(1) reductions in class or revenue units of any post office or in the minimum hours of service for a fourth-class post office, or".

79 Stat. 1114;
80 Stat. 297.

(c) Subsections (b) and (c) of section 3573 of title 39, United States Code, are amended by striking out "level PFS-10" and "level PFS-11", wherever appearing therein, and inserting in lieu thereof "level PFS-11" and "level PFS-12", respectively. Subsection (g) of section 3573 is amended by striking out "PFS-17" and inserting "PFS-18".

79 Stat. 1116.

(d) Subsection (a) of section 3575 of title 39, United States Code, is amended by striking out "level PFS-15" and inserting in lieu thereof "level PFS-16".

(e) Any reference to a level of the Postal Field Service Schedule in any order, rule, regulation, or statute (other than title 39, United States Code) which is in effect on the effective date of this section shall be deemed to refer to the next higher level of the Postal Field Service Schedule.

SPECIAL SALARY RATE RANGES

80 Stat. 458.

SEC. 207. (a) Section 5303(a) of title 5, United States Code, is amended by striking out "seventh pay rate" and inserting in lieu thereof "maximum pay rate".

(b) Section 5303(d) of title 5, United States Code, is amended to read as follows:

"(d) The rate of basic pay established under this section and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a) of this section, shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or by such agency as the President may designate."

EMPLOYEES IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE
VETERANS' ADMINISTRATION

80 Stat. 291.

SEC. 208. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"§ 4107. Grades and pay scales

78 Stat. 409.

"(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director, Deputy Chief Medical Director, and Associate Deputy Chief Medical Director, shall be as follows:

"Section 4103 Schedule

"Assistant Chief Medical Director, \$27,055.

"Medical Director, \$23,788 minimum to \$26,960 maximum.

"Director of Nursing Service, \$18,404 minimum to \$23,921 maximum.

"Director of Chaplain Service, \$18,404 minimum to \$23,921 maximum.

"Chief Pharmacist, \$18,404 minimum to \$23,921 maximum.

"Chief Dietitian, \$18,404 minimum to \$23,921 maximum.

"(b) (1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows: 72 Stat. 1244.

"Physician and Dentist Schedule

"Director grade, \$20,982 minimum to \$26,574 maximum.

"Executive grade, \$19,576 minimum to \$25,444 maximum.

"Chief grade, \$18,404 minimum to \$23,921 maximum.

"Senior grade, \$15,841 minimum to \$20,593 maximum.

"Intermediate grade, \$13,507 minimum to \$17,557 maximum.

"Full grade, \$11,461 minimum to \$14,899 maximum.

"Associate grade, \$9,657 minimum to \$12,555 maximum.

"Nurse Schedule

"Assistant Director grade, \$15,841 minimum to \$20,593 maximum.

"Chief grade, \$13,507 minimum to \$17,557 maximum.

"Senior grade, \$11,461 minimum to \$14,899 maximum.

"Intermediate grade, \$9,657 minimum to \$12,555 maximum.

"Full grade, \$8,054 minimum to \$10,475 maximum.

"Associate grade, \$7,033 minimum to \$9,139 maximum.

"Junior grade, \$6,137 minimum to \$7,982 maximum.

"(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or comparable position.

"(c) Notwithstanding any other provision of law, the per annum salary rate for each individual serving as a director of a hospital, domiciliary, or center who is not a physician shall not be less than the salary rate which he would receive under this section if his service as a director of a hospital, domiciliary, or center had been service as a physician in the director grade. The position of the director of a hospital, domiciliary, or center shall not be subject to chapter 51 and subchapter III of chapter 53 of title 5."

80 Stat. 443, 467.

FOREIGN SERVICE OFFICERS; STAFF OFFICERS AND EMPLOYEES

SEC. 209. (a) The fourth sentence of section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows: "The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

80 Stat. 292.

"Class 1	\$24,944	\$25,776	\$27,055				
"Class 2	20,280	20,956	21,632	\$22,308	\$22,984	\$23,660	\$24,336
"Class 3	16,616	17,170	17,724	18,278	18,832	19,386	19,940
"Class 4	13,507	13,957	14,407	14,857	15,307	15,757	16,207
"Class 5	11,120	11,491	11,862	12,233	12,604	12,975	13,346
"Class 6	9,267	9,576	9,885	10,194	10,503	10,812	11,121
"Class 7	7,816	8,076	8,336	8,596	8,856	9,116	9,376
"Class 8	6,734	6,959	7,184	7,409	7,634	7,859	8,084"

(b) The second sentence of subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows: "The per annum

80 Stat. 292.

salaries of such staff officers and employees within each class shall be as follows:

Class 1-----	\$16,616	\$17,170	\$17,724	\$18,278	\$18,832	\$19,386	\$19,940	\$20,494	\$21,048	\$21,602
Class 2-----	13,507	13,957	14,407	14,857	15,307	15,757	16,207	16,657	17,107	17,557
Class 3-----	11,120	11,491	11,862	12,233	12,604	12,975	13,346	13,717	14,088	14,459
Class 4-----	9,267	9,576	9,885	10,194	10,503	10,812	11,121	11,430	11,739	12,048
Class 5-----	8,351	8,629	8,907	9,185	9,463	9,741	10,019	10,297	10,575	10,853
Class 6-----	7,524	7,775	8,026	8,277	8,528	8,779	9,030	9,281	9,532	9,783
Class 7-----	6,905	7,135	7,365	7,595	7,825	8,055	8,285	8,515	8,745	8,975
Class 8-----	6,125	6,329	6,533	6,737	6,941	7,145	7,349	7,553	7,757	7,961
Class 9-----	5,575	5,761	5,947	6,133	6,319	6,505	6,691	6,877	7,063	7,249
Class 10-----	4,995	5,161	5,327	5,493	5,659	5,825	5,991	6,157	6,323	6,489"

(c) Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946 shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

AGRICULTURAL STABILIZATION AND CONSERVATION COUNTY COMMITTEE
EMPLOYEES

SEC. 210. The rates of pay of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

SALARY RATES FIXED BY ADMINISTRATIVE ACTION

SEC. 211. (a) The rates of basic pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28, United States Code, shall be increased, effective on the effective date of section 202 of this title, by amounts equal, as nearly as may be practicable, to the increases provided by section 202(a) of this title for corresponding rates of basic pay.

(b) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the rates of pay of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of pay are fixed by administrative action pursuant to law and are not otherwise increased by this title are hereby authorized to be increased, effective on the effective date of section 202 of this title, by amounts not to exceed the increases provided by this title for corresponding rates of pay in the appropriate schedule or scale of pay.

(c) Nothing contained in this section shall be held or considered to authorize any increase in the rates of pay of officers and employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(d) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of pay may be fixed by administrative action.

IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1968 AND 1969

SEC. 212. In order to complete the implementation of the policy of the Congress set forth in paragraph (2) of section 5301 of title 5, United States Code, the President, after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, shall—

80 Stat. 458.

(1) effective on the first day of the first pay period beginning on or after July 1, 1968, adjust the rates of basic pay, basic compensation, and salary, as in effect by reason of the enactment of the provisions of this title other than this section and sections 205, 210, 213, 214, 215, and 219—

(A) by amounts equal, as nearly as may be practicable, to one-half of the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1967 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code, or

(B) by 3 per centum, whichever is greater; and

(2) effective on the first day of the first pay period beginning on or after July 1, 1969, adjust the rates he has established under subparagraph (1) of this section, and the rates established by Postal Field Service Schedule II, and Rural Carrier Schedule II (contained in the amendments made by subsections (a) and (b) of section 205), by amounts equal, as nearly as may be practicable, to the amounts by which such rates are exceeded by rates of pay paid for the same levels of work in private enterprise as determined on the basis of the 1968 annual survey conducted by the Bureau of Labor Statistics in accordance with the provisions of section 5302 of title 5, United States Code.

Ante, p. 627.

80 Stat. 458.

Adjustments made by the President under this section shall have the force and effect of statute. The rates of pay of personnel subject to sections 210, 213 (except subsections (d) and (e)), and 214 of this title, and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made by the President under subparagraphs (1) and (2) of this section, by the following authorities—

(i) the President pro tempore of the Senate, with respect to the United States Senate;

(ii) the Speaker of the House of Representatives with respect to the United States House of Representatives;

(iii) the Architect of the Capitol, with respect to the Office of the Architect of the Capitol;

(iv) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

(v) the Secretary of Agriculture, with respect to persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

52 Stat. 31;

80 Stat. 293.

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute. Nothing in this section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

JUDICIAL BRANCH EMPLOYEES

SEC. 213. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 671 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to such section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by section 202(a) of this title in corresponding rates of compensation for officers and employees subject to section 5332 of title 5, United States Code.

(d) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

"The salary of the Director shall be the same as the salary of a district judge. The salary of the Deputy Director shall be in the same amount as the annual rate of basic pay for positions at level V of the Executive Schedule under section 5316 of title 5."

(e) Section 792(b) of title 28, United States Code, is amended by striking out "\$26,000" and inserting in lieu thereof "\$29,000".

LEGISLATIVE BRANCH EMPLOYEES

SEC. 214. (a) Except as otherwise provided in this title, each officer or employee in or under the legislative branch of the Government, whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, shall be paid additional compensation at the rate of 4.5 per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law).

(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this section, shall be increased by 4.5 per centum.

60 Stat. 329.
62 Stat. 843.

65 Stat. 725.
62 Stat. 918,
914.
80 Stat. 293.
Ante, p. 625.

Secretaries and
law clerks.
80 Stat. 1499.

Court reporters.
62 Stat. 921;
80 Stat. 294.

78 Stat. 434.

Post, p. 638.
78 Stat. 434.

60 Stat. 217;
80 Stat. 294.
2 USC 60e-3,4.
House officers
and employees.

(c) The rates of compensation of employees of the House of Representatives whose compensation is fixed by the House Employees Schedule under the House Employees Position Classification Act (78 Stat. 1079-1084; Public Law 88-652; 2 U.S.C. 291-303), including each employee subject to such Act whose compensation is fixed at a saved rate, are hereby increased by amounts equal, as nearly as may be practicable, to the increases provided by subsection (a) of this section.

(d) Except as provided in the last sentence of section 218(a) of this title, the additional compensation provided by this section shall be considered a part of basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement.

80 Stat. 564;
Ante, p. 213.

(e) The per annum rate of compensation of the Chief of Staff of the Joint Committee on Internal Revenue Taxation shall be the same as the per annum rate of compensation of the Legislative Counsel of the House of Representatives.

(f) This section shall not apply with respect to the compensation of student congressional interns and the compensation of employees whose compensation is fixed by the House Wage Schedule under the House Employees Position Classification Act.

78 Stat. 1079.
2 USC 291 note.

(g) The annual rate of gross compensation of each officer or employee whose compensation is disbursed by the Secretary of the Senate, and the annual rate of gross compensation of each telephone operator on the United States Capitol telephone exchange and each member of the Capitol Police whose compensation is disbursed by the Clerk of the House of Representatives, (1) is increased by 4.5 per centum, and (2) as so increased shall be adjusted, effective the first day of the month following the date of enactment of this Act, to the nearest multiple of \$188.

(h) In any case in which the rate of compensation of any officer, employee, or position, or class of officers, employees, or positions, the compensation for which is disbursed by the Secretary of the Senate, or any minimum or maximum rate with respect to such officer, employee, position, or class is referred to in or provided by statute or Senate resolution, such statutory provision or resolution shall be deemed to refer to the rate which an officer or employee subject to the provisions of subsection (g) receiving such rate immediately prior to the effective date of such subsection would be entitled (without regard to such statutory provision) to receive on and after such date. As used in this subsection and subsection (g), the term "officer" does not include a Senator.

(i) The annual rate of gross compensation of each employee in the office of a Senator shall be adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of \$188 which is not lower than the rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose rate of compensation is adjusted under this subsection shall receive an increase under subsection (g) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No increase shall be paid to any person under subsection (g) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator

Employees in
office of
Senator.

(other than the Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased, such notice shall be deemed to have been given. An increase under this subsection in the compensation of an employee in the office of a Senator for any period prior to the first day of the month following the date of enactment of this Act shall be made without regard to the clerk hire allowance of such Senator.

(j) Section 105(a)(1) of the Legislative Branch Appropriation Act, 1968, is amended by striking out "\$180" and inserting in lieu thereof "\$188".

(k) Section 105(d)(1) of such Act is amended by striking out the table and inserting in lieu thereof the following:

"\$199,280 if the population of his State is less than 3,000,000;
 "\$212,440 if such population is 3,000,000 but less than 4,000,000;
 "\$223,720 if such population is 4,000,000 but less than 5,000,000;
 "\$234,060 if such population is 5,000,000 but less than 7,000,000;
 "\$245,340 if such population is 7,000,000 but less than 9,000,000;
 "\$258,500 if such population is 9,000,000 but less than 10,000,000;
 "\$271,660 if such population is 10,000,000 but less than 11,000,000;
 "\$284,820 if such population is 11,000,000 but less than 12,000,000;
 "\$297,980 if such population is 12,000,000 but less than 13,000,000;
 "\$311,140 if such population is 13,000,000 but less than 15,000,000;
 "\$324,300 if such population is 15,000,000 but less than 17,000,000;
 "\$338,400 if such population is 17,000,000 or more."

(l) Section 105 of such Act is amended by striking out "\$1,080", "\$6,120", "\$10,620", "\$10,800", "\$14,220", "\$14,400", "\$15,660", "\$15,840", "\$18,180", "\$22,320", "\$23,400", and "\$24,480" wherever they appear in such section and inserting in lieu thereof "\$1,128", "\$6,392", "\$11,092", "\$11,280", "\$14,852", "\$15,040", "\$16,356", "\$16,544", "\$18,988", "\$23,312", "\$24,440", and "\$25,568", respectively.

(m) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 4.5 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (g) shall not apply to employees whose compensation is subject to such limitation, or to employees referred to in the last proviso in the second paragraph under the heading "SEN-ATE" in the Second Deficiency Appropriation Act, 1948.

(n) The first sentence of section 106(b) of the Legislative Branch Appropriation Act, 1963, as amended (2 U.S.C. 60j), is amended by striking out "\$540" and inserting in lieu thereof "\$564".

(o) Section 5533(c) of title 5, United States Code, is amended to read as follows:

"(c)(1) Unless otherwise authorized by law, appropriated funds are not available for payment to an individual of pay from more than one position if the pay of one of the positions is paid by the Secretary of the Senate or the Clerk of the House of Representatives, or one of the positions is under the Office of the Architect of the Capitol, and if—

Ante, p. 141.

62 Stat. 1027.

Ante, p. 143.

Dual pay.

Ante, p. 143.

“(A) the pay of one or more of the positions is fixed at a single gross per annum rate, and the aggregate gross pay from the positions exceeds \$6,256 a year, or

“(B) the pay of each such position is fixed at a basic rate plus additional compensation authorized by law, and the aggregate basic pay of the positions exceeds \$2,000 a year.

“(2) For the purpose of this subsection, ‘gross pay’ means the annual rate of pay (or equivalent thereof in the case of an individual paid on other than an annual basis) received by an individual, and, in the case of an individual receiving basic pay plus additional compensation provided by law, includes the aggregate amount received as basic and additional compensation, but does not include sums received as premium pay under subchapter V of this chapter.”.

(p) The third paragraph under the heading “Office of the Architect of the Capitol” and the subheading “Salaries” in the Legislative Branch Appropriation Act, 1960 (73 Stat. 407), is amended by striking out “\$7,700” and inserting in lieu thereof “\$8,200”.

40 USC 166b-3.

INCREASES IN BASIC PAY RATES FOR LEVELS III, IV, AND V OF EXECUTIVE SCHEDULE

SEC. 215. (a) Section 5314 of title 5, United States Code, relating to the basic pay rate for level III of the Executive Schedule, is amended by striking out “\$28,500” and inserting in lieu thereof “\$29,500”.

80 Stat. 460.

(b) Section 5315 of title 5, United States Code, relating to the basic pay rate for level IV of the Executive Schedule, is amended by striking out “\$27,000” and inserting in lieu thereof “\$28,750”.

(c) Section 5316 of title 5, United States Code, relating to the basic pay rate for level V of the Executive Schedule, is amended by striking out “\$26,000” and inserting in lieu thereof “\$28,000”.

SALARY INCREASE LIMITATIONS

SEC. 216. Except as provided in sections 213 (d) and (e), 214, 215, and 219, and subject to the operation of section 225 of this title, no rate of compensation shall be increased, by reason of the enactment of this title, to an amount in excess of the salary rate for level V of the Executive Schedule in section 5316 of title 5, United States Code, in effect on or after the first day of the first pay period which begins on or after the date of enactment of this title.

UNCONTROLLABLE OVERTIME DUTY

SEC. 217. Section 5545(c)(2) of title 5, United States Code, is amended by striking out “not in excess of 15 percent,” and inserting in lieu thereof “not less than 10 percent nor more than 25 percent,”.

80 Stat. 487;
Ante, p. 200.

PAYMENT OF RETROACTIVE COMPENSATION

SEC. 218. (a) Retroactive pay, compensation, or salary shall be paid by reason of this title only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this title, except that such retroactive pay, compensation, or salary shall be paid—

(1) to an officer or employee who retired, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, for services rendered during such period, and

80 Stat. 495.

(2) in accordance with subchapter VIII of chapter 55 of title 5, United States Code, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after October 1, 1967, and ending on the date of enactment of this title, by an officer or employee who died during such period.

80 Stat. 564;
Ante, p. 213.

Armed Forces,
service and
training period.

Such retroactive pay, compensation, or salary shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased officer or employee.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SALARIES OF LEGISLATIVE OFFICIALS

SEC. 219. Section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415) is amended as follows:

31 USC 42a.

(1) in subsection (b), by striking out "\$28,500" and inserting in lieu thereof "\$29,500";

2 USC 136a;

(2) in subsection (c), by striking out "\$27,000" and inserting in lieu thereof "\$28,750";

31 USC 51a;

40 USC 162a;

(3) in subsection (d), by striking out "\$25,500" and inserting in lieu thereof "\$27,500";

44 USC 39a.

2 USC 136a-1;

(4) in subsection (e), by striking out "\$23,500" and inserting in lieu thereof "\$25,000".

40 USC 166b;

44 USC 39a.

40 USC 166b-1.

EFFECTIVE DATES

SEC. 220. (a) Except as otherwise expressly provided, this title shall take effect as follows:

(1) This section and sections 201, 207, 212, 218, 221, 224 (a) and (b), and 225 shall become effective on the date of enactment of this title.

(2) Sections 202, 203, 204, 205, 206, 208, 209, 210, 211, 213 (except subsections (d) and (e)), 214 (except subsections (j), (k), (l), (n), and (o)), and 216 shall become effective as of the beginning of the first pay period which began on or after October 1, 1967.

(3) Sections 213 (d) and (e), 214 (j), (k), (l), (n), and (o), 215, 217, 219, and 224(c) shall become effective at the beginning of the first pay period which begins on or after the date of enactment of this title.

(4) Sections 222 and 223 shall become effective thirty days after the date of enactment of this title.

(b) For the purposes of determining the amount of insurance for which an individual is eligible under chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

80 Stat. 592.

(1) all changes in rates of pay which result from the enactment of this title (except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213 (d) and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment; and

(2) all changes in rates of pay which result from the enactment of section 212 of this title and which take effect retroactively from

the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.

EMPLOYMENT OF RELATIVES BY PUBLIC OFFICIALS

SEC. 221. (a) Chapter 31 of title 5, United States Code, is amended by adding at the end thereof the following new section: 80 Stat. 414.

“§ 3110. Employment of relatives; restrictions

Definitions.

“(a) For the purpose of this section—

“(1) ‘agency’ means—

“(A) an Executive agency;

“(B) an office, agency, or other establishment in the legislative branch;

“(C) an office, agency, or other establishment in the judicial branch; and

“(D) the government of the District of Columbia;

“(2) ‘public official’ means an officer (including the President and a Member of Congress), a member of the uniformed service, an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement, in connection with employment in an agency; and

“(3) ‘relative’ means, with respect to a public official, an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

“(b) A public official may not appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position in the agency in which he is serving or over which he exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a civilian position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual.

“(c) An individual appointed, employed, promoted, or advanced in violation of this section is not entitled to pay, and money may not be paid from the Treasury as pay to an individual so appointed, employed, promoted, or advanced.

“(d) The Civil Service Commission may prescribe regulations authorizing the temporary employment, in the event of emergencies resulting from natural disasters or similar unforeseen events or circumstances, of individuals whose employment would otherwise be prohibited by this section.

“(e) This section shall not be construed to prohibit the appointment of an individual who is a preference eligible in any case in which the passing over of that individual on a certificate of eligibles furnished under section 3317(a) of this title will result in the selection for appointment of an individual who is not a preference eligible.”

80 Stat. 421.

(b) The analysis of chapter 31 of title 5, United States Code, is amended by adding the following new item at the end thereof:

“3110. Employment of relatives; restrictions.”

(c) The amendments made by this section do not apply to an appointment, employment, advancement, or promotion made or advocated by a public official of any individual who is a relative of the public official if, prior to the effective date of this section, the individual was appointed by the public official, or received an appointment advocated by the public official, and is serving under the appointment on such effective date.

TRAVEL STATUS

80 Stat. 486. SEC. 222. (a) Section 5542(b) (2) (B) of title 5, United States Code, is amended to read as follows:

“(B) the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”

74 Stat. 651;
79 Stat. 1114. (b) Section 3571 of title 39, United States Code, is amended by adding at the end thereof a new subsection as follows:

“(e) Time spent in a travel status away from the official duty station of an employee is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling, (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”

80 Stat. 500. (c) Subchapter II of chapter 57 of title 5, United States Code, is amended—

(1) by adding at the end thereof the following new section:

“§ 5733. Expeditious travel

“The travel of an employee shall be by the most expeditious means of transportation practicable and shall be commensurate with the nature and purpose of the duties of the employee requiring such travel.”; and

(2) by inserting after item 5732 in the analysis of such subchapter the following new item:

“5733. Expeditious travel.”.

80 Stat. 486;
Ante, p. 200. (d) Section 5544(a) of title 5, United States Code, is amended by inserting immediately at the end thereof the following new sentence: “Time spent in a travel status away from the official duty station of an employee subject to this subsection is not hours of work unless the travel (i) involves the performance of work while traveling, (ii) is incident to travel that involves the performance of work while traveling (iii) is carried out under arduous conditions, or (iv) results from an event which could not be scheduled or controlled administratively.”.

APPEALS FROM POSITION CLASSIFICATIONS OF WAGE BOARD EMPLOYEES

80 Stat. 471. SEC. 223. (a) Subchapter IV of chapter 53 of title 5, United States Code, is amended by adding at the end thereof the following new section:

“§ 5345. Position classification appeals

“On application, made in accordance with regulations prescribed by the Civil Service Commission, by an employee subject to section 5341(a) of this title for the review of the action of an employing agency in classifying his position for pay purposes, the Commission shall—

“(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of the position;

“(2) decide whether the position has been properly classified; and

“(3) approve, disapprove, or modify, in accordance with its decision, the action of the employing agency in classifying the position.

The Commission shall certify to the agency concerned its action under paragraph (3) of this section. The agency shall act in accordance with the certificate, and the certificate is binding on all administrative, certifying, payroll, disbursing, and accounting officials.”.

(b) The analysis of chapter 53 is amended by inserting the following new item after item 5344:

“5345. Position classification appeals.”.

MISCELLANEOUS PROVISIONS

SEC. 224. (a) Section 4101(2) (B) of title 5, United States Code, is amended by striking out “Coast and Geodetic Survey” and inserting in lieu thereof “Environmental Science Services Administration”. 80 Stat. 432.

(b) Section 8339(e) (2) of title 5, United States Code, is amended to read as follows:

“(2) the greater of—

“(A) the final basic pay of the Member; or

“(B) the final basic pay of the appointive position of a former Member who elects to have his annuity computed or recomputed under section 8344(b) (1) of this title.”.

(c) Section 1(b) of the Act of August 25, 1958 (72 Stat. 838; 3 U.S.C. 102, note), as amended, is amended by striking out “\$65,000” and inserting in lieu thereof “\$80,000”, and by striking out the fourth sentence therein and inserting in lieu thereof the following: “The annual rate of compensation payable to any such person shall not exceed the highest annual rate of basic pay now or hereafter provided by law for positions at level II of the Executive Schedule under section 5313 of title 5, United States Code.”. 78 Stat. 412.

80 Stat. 460.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

SEC. 225. (a) ESTABLISHMENT OF COMMISSION.—There is hereby established a commission to be known as the Commission on Executive, Legislative, and Judicial Salaries (hereinafter referred to as the “Commission”).

(b) MEMBERSHIP.—

(1) The Commission shall be composed of nine members who shall be appointed from private life, as follows:

(A) three appointed by the President of the United States, one of whom shall be designated as Chairman by the President;

(B) two appointed by the President of the Senate;

(C) two appointed by the Speaker of the House of Representatives; and

(D) two appointed by the Chief Justice of the United States.

(2) The terms of office of persons first appointed as members of the Commission shall be for the period of the 1969 fiscal year of the Federal Government, except that, if any appointment to membership on the Commission is made after the beginning and before the close of such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

Terms of office.

(3) After the close of the 1969 fiscal year of the Federal Government, persons shall be appointed as members of the Commission with respect to every fourth fiscal year following the 1969 fiscal year. The terms of office of persons so appointed shall be for the period of the

fiscal year with respect to which the appointment is made, except that, if any appointment is made after the beginning and before the close of any such fiscal year, the term of office based on such appointment shall be for the remainder of such fiscal year.

(4) A vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made.

Compensation;
travel expenses. (5) Each member of the Commission shall be paid at the rate of \$100 for each day such member is engaged upon the work of the Commission and shall be allowed travel expenses, including a per diem allowance, in accordance with section 5703(b) of title 5, United States Code, when engaged in the performance of services for the Commission.

80 Stat. 499.

(c) PERSONNEL OF COMMISSION.—

80 Stat. 443,

467; Ante, p. 625. (1) Without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, and on a temporary basis for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section—

(A) the Commission is authorized to appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of title 5, United States Code; and

Ante, p. 638.

(B) with the approval of the Commission, the Executive Director is authorized to appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule in section 5332 of title 5, United States Code) of such additional personnel as may be necessary to carry out the function of the Commission.

Personnel detail. (2) Upon the request of the Commission, the head of any department, agency, or establishment of any branch of the Federal Government is authorized to detail, on a reimbursable basis, for periods covering all or part of any fiscal year referred to in subsection (b) (2) and (3) of this section, any of the personnel of such department, agency, or establishment to assist the Commission in carrying out its function.

(d) USE OF UNITED STATES MAILS BY COMMISSION.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(e) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide administrative support services for the Commission on a reimbursable basis.

(f) FUNCTION.—The Commission shall conduct, in each of the respective fiscal years referred to in subsection (b) (2) and (3) of this section, a review of the rates of pay of—

(A) Senators, Members of the House of Representatives, and the Resident Commissioner from Puerto Rico;

(B) offices and positions in the legislative branch referred to in subsections (a), (b), (c), and (d) of section 203 of the Federal Legislative Salary Act of 1964 (78 Stat. 415; Public Law 88-426);

(C) justices, judges, and other personnel in the judicial branch referred to in sections 402(d) and 403 of the Federal Judicial Salary Act of 1964 (78 Stat. 434; Public Law 88-426); and

(D) offices and positions under the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

80 Stat. 460;

Ante, p. 638.

Such review by the Commission shall be made for the purpose of determining and providing—

(i) the appropriate pay levels and relationships between and among the respective offices and positions covered by such review, and

(ii) the appropriate pay relationships between such offices and positions and the offices and positions subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates.

80 Stat. 443,
467; Ante, p. 625.

(g) **REPORT BY COMMISSION TO THE PRESIDENT.**—The Commission shall submit to the President a report of the results of each review conducted by the Commission of the offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section, together with its recommendations. Each such report shall be submitted on such date as the President may designate but not later than January 1 next following the close of the fiscal year in which the review is conducted by the Commission.

(h) **RECOMMENDATIONS OF THE PRESIDENT WITH RESPECT TO PAY.**—The President shall include, in the budget next transmitted by him to the Congress after the date of the submission of the report and recommendations of the Commission under subsection (g) of this section, his recommendations with respect to the exact rates of pay which he deems advisable, for those offices and positions within the purview of subparagraphs (A), (B), (C), and (D) of subsection (f) of this section. As used in this subsection, the term "budget" means the budget referred to in section 201 of the Budget and Accounting Act, 1921, as amended (31 U.S.C. 11).

"Budget."

64 Stat. 832;
72 Stat. 852.

(i) **EFFECTIVE DATE OF RECOMMENDATIONS OF THE PRESIDENT.**—

(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the recommendations of the President transmitted to the Congress in the budget under subsection (h) of this section shall become effective at the beginning of the first pay period which begins after the thirtieth day following the transmittal of such recommendations in the budget; but only to the extent that, between the date of transmittal of such recommendations in the budget and the beginning of such first pay period—

(A) there has not been enacted into law a statute which establishes rates of pay other than those proposed by all or part of such recommendations,

(B) neither House of the Congress has enacted legislation which specifically disapproves all or part of such recommendations, or

(C) both.

(2) Any part of the recommendations of the President may, in accordance with express provisions of such recommendations, be made operative on a date later than the date on which such recommendations otherwise are to take effect.

(j) **EFFECT OF RECOMMENDATIONS OF THE PRESIDENT ON EXISTING LAW AND PRIOR PRESIDENTIAL RECOMMENDATIONS.**—The recommendations of the President transmitted to the Congress immediately following a review conducted by the Commission in one of the fiscal years referred to in subsection (b) (2) and (3) of this section shall be held and considered to modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

(A) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such recommendations (other than any provision of law enacted in the period specified in paragraph (1) of subsection (i) of this section with respect to such recommendations), and

(B) any prior recommendations of the President which take effect under this section.

(k) **PUBLICATION OF RECOMMENDATIONS OF THE PRESIDENT.**—The recommendations of the President which take effect shall be printed

Publication in
Federal Register.

in the Statutes at Large in the same volume as public laws and shall be printed in the Federal Register and included in the Code of Federal Regulations.

TITLE III—PROHIBITION OF PANDERING ADVERTISEMENTS

74 Stat. 654;
76 Stat. 840.

SEC. 301. (a) Chapter 51 of title 39, United States Code, is amended by adding at the end of such chapter the following new section:

“§ 4009. Prohibition of pandering advertisements in the mails

“(a) Whoever for himself, or by his agents or assigns, mails or causes to be mailed any pandering advertisement which offers for sale matter which the addressee in his sole discretion believes to be erotically arousing or sexually provocative shall be subject to an order of the Postmaster General to refrain from further mailings of such materials to designated addressees thereof.

“(b) Upon receipt of notice from an addressee that he has received such mail matter, determined by the addressee in his sole discretion to be of the character described in subsection (a) of this section, the Postmaster General shall issue an order, if requested by the addressee, to the sender thereof, directing the sender and his agents or assigns to refrain from further mailings to the named addressees.

“(c) The order of the Postmaster General shall expressly prohibit the sender and his agents or assigns from making any further mailings to the designated addressees, effective on the thirtieth calendar day after receipt of the order. The order of the Postmaster General shall also direct the sender and his agents or assigns to delete immediately the names of the designated addressees from all mailing lists owned or controlled by the sender or his agents or assigns and, further, shall prohibit the sender and his agents or assigns from the sale, rental, exchange, or other transaction involving mailing lists bearing the names of the designated addressees.

“(d) Whenever the Postmaster General believes that the sender or anyone acting on his behalf has violated or is violating the order given under this section, he shall serve upon the sender, by registered or certified mail, a complaint stating the reasons for his belief and request that any response thereto be filed in writing with the Postmaster General within fifteen days after the date of such service. If the Postmaster General, after appropriate hearing if requested by the sender, and without a hearing if such a hearing is not requested thereafter determines that the order given has been or is being violated, he is authorized to request the Attorney General to make application, and the Attorney General is authorized to make application, to a district court of the United States for an order directing compliance with such notice.

Compliance order. “(e) Any district court of the United States within the jurisdiction of which any mail matter shall have been sent or received in violation of the order provided for by this section shall have jurisdiction, upon application by the Attorney General, to issue an order commanding compliance with such notice. Failure to observe such order may be punished by the court as contempt thereof.

“(f) Receipt of mail matter thirty days or more after the effective date of the order provided for by this section shall create a rebuttable presumption that such mail was sent after such effective date.

“(g) Upon request of any addressee, the order of the Postmaster General shall include the names of any of his minor children who have

not attained their nineteenth birthday, and who reside with the addressee.

“(h) The provisions of subchapter II of chapter 5 (relating to administrative procedure) and chapter 7 (relating to judicial review) of part I of title 5, United States Code, shall not apply to any provisions of this section.

81 Stat. 381, 392.

“(i) For the purposes of this section—

Ante, p. 54.

“(1) mail matter, directed to a specific address covered in the order of the Postmaster General, without designation of a specific addressee thereon, shall be considered as addressed to the person named in the Postmaster General’s order; and

“(2) the term ‘children’ includes natural children, stepchildren, adopted children, and children who are wards of or in custody of the addressee or who are living with such addressee in a regular parent-child relationship.”

(b) The table of contents of chapter 51 of title 39, United States Code, is amended by adding at the end thereof—

“4009. Prohibition of pandering advertisements in the mails.”

SEC. 302. The provisions of this title shall become effective on the one hundred and twentieth day after the date of enactment of this Act. Effective date.

TITLE IV—FEDERAL EMPLOYEES LIFE INSURANCE

SEC. 401. Section 8704(a) of title 5, United States Code, is amended to read as follows: 80 Stat. 593.

“(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule, which schedule shall be automatically extended correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this title: 80 Stat. 460.

If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000	-----	32,000	32,000”.

80 Stat. 595.

SEC. 402. Section 8707 of title 5, United States Code, is amended to read as follows:

"§ 8707. Employee deductions; withholding

"During each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, there shall be withheld from the pay of the employee his share of the cost of the group life insurance and accidental death and dismemberment insurance. The amount withheld shall be at the rate, adjusted to the nearest half-cent, of 66 $\frac{2}{3}$ percent of the level cost of each \$1,000 of insurance, as determined by the Commission."

Government contribution.

SEC. 403. Section 8708(a) of title 5, United States Code, is amended to read as follows:

"(a) For each period in which an employee is insured under a policy of insurance purchased by the Civil Service Commission under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him."

Supra.

80 Stat. 592.

SEC. 404. Chapter 87 of title 5, United States Code, is amended

(1) by adding the following new section:

"§ 8714a. Optional insurance

"(a) Under the conditions, directives, and terms specified in sections 8709-8712 of this title, the Civil Service Commission, without regard to section 5 of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

Ante, p. 646.

"(b) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Commission shall prescribe and in amounts approved by the Commission but not more than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

"(c) (1) The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(d) of this title.

80 Stat. 595.

"(2) So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

"(A) the full period or periods of service during which the optional insurance was available to him; or

"(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

"(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

“(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title. 80 Stat. 595.

“(d) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) or 8706(c) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title. 81 STAT. 647 81 STAT. 648

“(e) The cost of the optional insurance shall be determined from time to time by the Commission on the basis of such age groups as it considers appropriate. Ante, p. 647.

“(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title.”; and 80 Stat. 594; Ante, p. 219.

(2) by inserting in the analysis of such chapter the following new item after item 8714:

“8714a. Optional insurance.”.

SEC. 405. (a) The amendments made by sections 401 to 403, inclusive, of this Act shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 were in effect for such employee during such period. Effective dates.

(b) (1) The amendments made by section 404 of this Act shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment, or on any earlier date that the Civil Service Commission may prescribe, which is at least sixty days after the date of enactment. In the case of an employee who dies during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under

the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement the period during which such optional insurance was available to such employee shall not be considered to have commenced prior to the expiration of sixty days following such effective date.

(c) The amendments made by sections 401 to 404, inclusive, of this Act shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment.

Approved December 16, 1967.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 722 (Comm. on Post Office & Civil Service) and No. 1013 (Comm. of Conference).

SENATE REPORT: No. 801 (Comm. on Post Office & Civil Service).

CONGRESSIONAL RECORD, Vol. 113 (1967):

Oct. 10, 11, Dec. 11: Considered and passed House.

Nov. 28, 29, Dec. 12: Considered and passed Senate.

ative, utilizing, to the maximum extent practicable, the standards of valuation contained in Section 402 or 402a of the Tariff Act of 1930 (19 U.S.C. 1401a or 1402) applicable to such article during such representative period;

10. WHEREAS, pursuant to Section 201(a)(2) of the Trade Expansion Act of 1962, I determine that the modification or continuance of existing duties or other import restrictions and the continuance of existing duty-free or excise treatment hereinafter proclaimed are required or appropriate to carry out the trade agreement identified in the seventh recital of this proclamation and related parts of other agreements; and

11. WHEREAS, pursuant to Section 304(a)(3)(J) of the Tariff Act of 1930 (19 U.S.C. 1304(a)(3)(J)) and Section 258 of the Trade Expansion Act of 1962 (19 U.S.C. 1888), I find that the suspension of the effectiveness of the proviso to Section 304(a)(3)(J), with respect to the marking of the articles provided for in headnote 2 of Part 1 of Schedule 2 of the Tariff Schedules of the United States (added thereto by Section A of Annex II to this proclamation), is required to carry out the trade agreement identified in the seventh recital of this proclamation:

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including but not limited to Sections 201, 202, 213, and 254 of the Trade Expansion Act of 1962, do proclaim that:

(1) Subject to the applicable provisions of the General Agreement, the Geneva (1967) Protocol, and other agreements supplemental to the General Agreement, the modification or continuance of existing duties or other import restrictions and the continuance of existing duty-free or excise treatment, provided for in Schedule XX (Geneva—1967), shall be effective on and after January 1, 1968, as provided for therein; and

(2) To this end and to give effect to related parts of other agreements, the Tariff Schedules of the United States are modified, effective on and after January 1, 1968, as provided for in Annexes II and III to this proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of December in the year of our Lord nineteen hundred and sixty-seven, and of the Independence of the United States of America the one hundred and twenty-second.

LYNDON B. JOHNSON

The White House
Washington, D.C.

Filed with the Office of the Federal Register, 10:02 a.m.,
December 18, 1967]

Annex II and Annex III are published in Part II of the Federal Register of December 19, 1967. Annex I was filed with the Office of the Federal Register but not published.
For the President's remarks on signing the proclamation, see preceding item.

Federal Executive Salary Schedule

Executive Order 11385. December 16, 1967

PLACING AN ADDITIONAL POSITION IN LEVEL IV OF THE
FEDERAL EXECUTIVE SALARY SCHEDULE

By virtue of the authority vested in me by section 5317 of title 5 of the United States Code, as amended, and as President of the United States, section 1 of Executive Order No. 11248 of October 10, 1965, as amended, is further amended by adding thereto the following:

(6) Deputy Administrator, Federal Highway Administration, Department of Transportation.

LYNDON B. JOHNSON

The White House

December 16, 1967

[Filed with the Office of the Federal Register, 11:39 a.m.,
December 18, 1967]

NOTE: Executive Order 11385 was not made public in the form of a White House press release.

Postal Revenue and Federal Salary Increases

The President's Remarks Upon Signing the Postal Revenue and Federal Salary Act of 1967 and an Act To Increase Basic Pay for Members of the Uniformed Services. December 16, 1967

Postmaster General O'Brien, Chairman Macy, Senator Monroney, other Members of the Post Office Committee in the Senate, Members of the House, ladies and gentlemen:

It could be that another man should be standing in for me here today. But it happens that he is a famous toy-maker and this is his busy season.

He did send me a telegram that I think I should share with you. It read:

"Regret unable to join all of you. I am swamped by orders received following last night's Republican telecast. All Americans want wooden soldiers for Christmas."

Signed: "Santa Claus."

I would not want my Republican friends to misinterpret this telegram. It was sent in the spirit of the season—the spirit of peace and good will.

And Senator Dirksen did receive a copy.

It was sent by special delivery reindeer.

Even if Santa Claus is not here this morning, we must proceed to our business, which, in this case, is a pleasant undertaking. Even ahead of the Christmas tree, we are going to unwrap our Christmas package.

We will shortly sign two bills which we think will greatly brighten the Christmas of our men in uniform, of our Government employees, and of our postal workers.

This year our postal system moved as much mail as all the other nations combined—80 billion items. And it is going up by the millions every year.

That is an incredible, unbelievable achievement. It is a staggering burden.

The postal service cannot handle it without modern equipment and facilities. We must be frank—they just do not have the equipment or the facilities now.

One of the bills that we sign here this morning will give them \$900 million to get going—to streamline to serve Americans better.

It will cost a great deal of money, but it will come out of the right pockets. The largest costs will be borne by the largest mail users—not the small taxpayer.

The change is long overdue. It is an extra little present that we put under the family Christmas tree this year.

You men and women in the Congress are responsible for it. Your President thanks you on behalf of the people and the employees.

Our men and our women in uniform, and our citizens in government, are also going to have something to celebrate. Today we sign the fourth civilian pay bill since I took office 4 years ago.

Looking back, we can see just how far we have come.

We can see how long the men and women of government have waited.

There were no pay increases at all for 15 years—from 1930 through 1945. Then we did some catching up after World War II. The going was steady, but it was very slow even then.

We really hit our stride in 1964.

I have signed a civilian and postal pay increase bill every year since I became President: in 1964, in 1965, in 1966, and in 1967. And that isn't status quo.

Together, these bills have given a 15.2 percent increase to Federal workers and an 18.1 percent raise to postal workers. They have been among the proudest moments of my Presidency.

This year I am prouder still because I know that this bill takes care of 1968 and takes care of 1969 as well.

I see Senator Monroney has just come in. I want to thank him for seeing that 1968 and 1969 were taken care of. I also want to thank the other Members of Congress who provided for these particulars.

We think this bill is by far the best in guaranteeing equity and justice which we have long sought. Government employees and their families will no longer have to live on the margin.

This bill, we think, emancipates them.

It continues the long climb to equality—and we think the goal is close.

Government salaries will compare with industry's.

This will happen in three stages: October 1967, July 1968, and July 1969.

Now, this three-step increase we think is prudent. We have tried not to overburden the Federal budget. As enacted by the Congress, these new benefits will cost \$1 billion in fiscal 1968 and \$2 billion in fiscal 1969.

I had recommended October 1968 as the effective date for the second step of the pay raise. The Congress enacted a July date. This change will add \$400 million to next year's budget costs. And I am sure that I will be criticized for missing the estimates on the budget or for having a deficit.

But we will endure that, too.

This bill will create a commission to review executive-level salaries every 4 years.

We have asked for that as extra protection.

For the first time, equity and justice now have a permanent place in the Federal pay system.

For the first time, our public servants will not have to make the choice between leaving public service or suffering great financial sacrifice.

For the first time, we have a bill that we think fairly and wisely revises the insurance coverage.

The Government now guarantees a sound, basic insurance program for its employees. It allows additional insurance to all who want to buy it at their own expense.

The new provisions are practical and just for Government worker and for taxpayer.

The military receive equal recognition and justice.

Last April I asked the Congress to put the civilian and military pay raises into one package. I wanted a law that proclaimed full equality—a bill based on the principle that the military would move forward in step with the civilians and not bring up the rear, as they have too often been forced to do.

I thank the Congress publicly, very much again, for correcting that.

This military pay bill is the fifth in as many years. With it, basic military pay has risen by more than 40 percent since 1962. And other benefits have grown, too, for all ranks, from the sergeant to the general. And I am glad of that.

Patriotism can be its own reward and thank God we have many gallant men and women who are willing to live and die by that belief. But that is no excuse for making patriotism a penalty.

Military men and women, and their families, deserve a standard of living equal to the demands we place upon them. That is our duty to those who bear the hard duty of defending our freedoms and of guarding our peace.

With this bill, we will accept that duty proudly and gladly. So, it is a pride and gladness in which I think all Americans share.

This bill is signed for the benefit of all Americans. It strengthens all Americans, and particularly the American Government of which we are so proud.

Really, that is our people's strength—that is our Nation's greatness.

I am happy that after these many long 11 months we have finally found an area of agreement that I think promotes equity, fairness, and justice. That is somewhat of a tribute to the Founding Fathers who conceived three independent and separate branches of government.

Thank you very much.

NOTE: The President spoke at 1:12 p.m. in the Cabinet Room at the White House.

As enacted, the acts (H.R. 797 and H.R. 13510) are Public Law 90-206 and Public Law 90-207, respectively.

Migratory Waterfowl Refuges

Statement by the President After Signing Bill Extending Wetlands Acquisition Program. December 16, 1967

I have signed H.R. 480, a bill extending for 8 years authority to appropriate up to \$105 million for the acquisition of land for migratory waterfowl refuges.

In 1961, Congress recognized that the accelerated acquisition of wetlands is essential, if this country is to preserve the natural environment that waterfowl and other birds must have for survival.

With the \$46 million actually appropriated since 1961, less than half of the 2.5 million acres of the wetlands originally estimated as being acquirable have been purchased or leased. This bill gives the migratory bird conservation fund additional time for obtaining the remaining \$59 million of authorized appropriations.

Revenues from the sale of "duck stamps" will continue to help pay for land acquisitions as they occur. Eventually, duck stamp revenues will reimburse the Treasury for the appropriations that are again authorized by this bill.

The acquisition of migratory waterfowl refuges is of particular interest and benefit to hunters, and the Secretary of the Interior has recommended to Congress that the duck stamp fee be increased from \$3 to \$5 to help meet the cost of the accelerated program. The House has already passed a bill for this purpose. I urge the Senate to complete action on the measure early in the next session of Congress.

NOTE: As enacted, the bill (H.R. 480) is Public Law 90-205, signed December 15, 1967.

Age Discrimination in Employment Act of 1967

Statement by the President After Signing Bill Prohibiting Improper Age Discrimination in Employment. December 16, 1967

During my 4 years in the Presidency, I have fought discrimination in employment in all of its ugly forms with every power of my office.

In 1963, Congress passed the Equal Pay Act, prohibiting wage discrimination on the basis of sex for workers covered by Federal minimum wage standards.

A year later, the Civil Rights Act of 1964 outlawed job discrimination because of race, color, religion, sex, or national origin.

That historic act also directed the Secretary of Labor to study another problem of employment discrimination—one which had long been ignored, and about which little was known. It was the noxious practice of discrimination because of age.

The report of the Secretary of Labor showed that, although there are now 52 million Americans between the ages of 40 and 64, half of all jobs were closed to workers over 55, and one-fourth of all jobs were closed to workers over 45.

It showed that workers 45 years old and older made up half of this country's long term unemployed, and over one-fourth of all the unemployed.

It showed that, of the billion dollars in unemployment insurance paid out each year, three-fourths went to workers 45 or over.

It showed that, although Americans are now living longer and enjoying better health than ever before, older workers were often barred from jobs that could be performed efficiently by workers of any age.

Those figures added up to a senseless and costly waste of human talents and energy. They showed that men and women who needed to work—who wanted to work—and who were able to work, were not being given a fair chance to work.

The need for national action was clear. In my message to Congress in January of this very year, I recommended the Age Discrimination in Employment Act of 1967. Yesterday I signed that act.

Its basic purpose is to outlaw discrimination in employment against persons 40 to 65 years of age. It makes proper allowance for cases where age is a bona fide qualification for employment.

This act does not compel employers and labor unions and employment agencies to choose a person aged 40 to 65 over another person. It does require that one simple question be answered fairly:

Who has the best qualifications for the job?

When improper age discrimination does occur, the act requires conciliation and persuasion. If voluntary compliance cannot be arranged, it permits court action. The act also calls for research and education to melt the misinformation and unconscious bias toward older workers that still exist today.

The Age Discrimination in Employment Act of 1967 gives the vital part of our labor force between 40 and 65 a better chance to go on working productively and gainfully. The country will gain as well—from making better use of their skills and experience.

